Hickling-Johnston

THE NATIONAL CONTEXT

A REPORT ON GOVERNMENT PROGRAMS CONCERNING THE ELDERLY

*

PENSIONERS CONCERNED (CANADA) INC.

*

September 1974.

John Yudelman

Management Consultants

Hickling-Johnston Limited,
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Telephone (416) 964-9336

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September 30, 1974.

Mr. Gordon Anderson,
President,
Pensioners Concerned (Canada) Inc.,
51 Bond Street,
Toronto, Ontario.
M5B 1X1

Dear Mr. Anderson:

It is with pleasure that I submit this report, *The National Context: A Report on Government Programs Concerning the Elderly.*

It is my sincere wish that this report will be of assistance in furthering your organization's very worthwhile efforts on behalf of Canada's elderly.

Yours sincerely,

John Yudelman,
Project Director.

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PENSIONERS CONCERNED (CANADA) INCORPORATED

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September 1974.

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51 Bond Street Telephone 368-5222

Toronto, Ontario M5B 1X1

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A REPORT OF GOVERNMENT PROGRAMS CONCERNING THE ELDERLY

Early in 1974 a number of national organizations were invited to Ottawa by the Department of the Secretary of State to discuss a new "Student Community Service Program" to be funded by that Department.

Two of our Directors attended the Ottawa meeting. As a result, we applied for, and received, a grant to employ a student to research federal and provincial programs currently in effect to assist the elderly.

In setting up our project, we were very fortunate in several ways. Dr. A. E. Safarian, Dean of Graduate Studies, University of Toronto, drew to our attention a young legal student at Osgoode Hall, York University, Mr. John Yudelman. The well-known management consulting firm of Hickling-Johnston Limited and one of its Senior Partners, Mr. D. V. Fowke, agreed to provide our student with office space, stenographic assistance, and overall guidance at no cost.

A questionnaire was prepared and sent to all government departments in Canada which deal with the problems of the elderly in the areas of income support, health, and housing. On the basis of the replies, which were prompt and generous in their scope, Mr. Yudelman then travelled from New Brunswick to British Columbia and interviewed over 100 people to whom we are most grateful.

The Report has been well done, and will prove a helpful aid to all those interested in the plight of the elderly.

Mr. R. G. Anderson,
President.

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FOREWORD

This report by John Yudelman on programs for the elderly is the first of its kind in Canada. Its importance lies in the fact that the study was initiated by Pensioners Concerned (Canada) Incorporated, an organization of senior citizens dedicated to meeting the needs of this growing age group through self help. Their interest in an objective and comprehensive assessment of government programs persuaded my colleagues at Hickling-Johnston to co-sponsor, with the Secretary of State of Canada, the analysis and the production of this volume.

John Yudelman has provided a balanced perspective on the programs available to the elderly across Canada. Many of them deal with income. And the questions of adequacy of income, or of regional differentials, or of anomalies in the total income structure are brought out in the report. Other programs deal with different aspects of the "basic" needs of the elderly, such as housing and medical care, and Mr. Yudelman has identified those areas where improvements are needed.

But it is worth reiterating that the bulk of government efforts are directed to basic needs, such as food, clothing, housing, and health. Obviously these must be well provided for -- and continuing effort is needed by groups like Pensioners Concerned to ensure that they are. But there are other human needs as well, including those for social interaction, for a sense of worth, and a sense of achievement.

John Yudelman emphasizes in this report that our frameworks of arbitrary definition -- such as declaring a Canadian to be elderly at 65 -- in themselves create some of the problems Canadians face as they advance in years. It is here that the efforts of organizations like Pensioners Concerned need to be focused as well, to challenge "arbitrary institutional classifications", and to ensure recognition that the aging process is "heterogenous" and highly individual.

Just as Pensioners Concerned took the initiative in this study, they need to take initiative in finding ways of meeting what are described as the "higher" needs of human beings. These needs may be met in many ways, including satisfying and productive work for senior citizens who want to remain involved in building a better Canada. There is a need for leadership in breaking down much of our conventional wisdom on what aging means and what the elderly want and need.

At Hickling-Johnston, we feel this leadership role is one for the elderly themselves and not for governments. Bureaucracies can support, but they cannot manage, the processes needed. We would urge Pensioners Concerned to take the leadership. And we would urge governments to find new ways of supporting this leadership, financially and otherwise.

Donald V. Fowke,
Senior Partner,
Hickling-Johnston Limited.

Toronto, September 18, 1974.

INTRODUCTION

The needs of the elderly are many, varied, and interrelated. They share many of the same needs as other members of society and they have needs unique to themselves.

To question the degree that it should be the senior levels of government that meet these needs is a moot point, for the fact is that these governments are the major providers of services and support to the elderly in Canada.

This report, then, is a selective inventory of government programs and policies affecting the elderly. It is directed at two diverse audiences, senior citizens and government officials.

One the one hand, it is hoped that this report will provide information to the elderly, enabling them to make better informed responses to the governments providing services. On the other hand, it is hoped that this report will provide useful information to government officials as to what is occurring in other parts of the country, thereby bettering their own planning processes.

No single report can hope to encompass the whole interface between the senior citizen and the government; thus the information presented must necessarily be selective.

The selection was partly dictated by the availability of information, and partly by the difficulties of developing the information comparatively, and partly by what was believed to be of most interest to senior citizens' groups. Many of these groups, such as Pensioners Concerned, have concentrated their efforts on obtaining added income to ease the financial plight of the elderly, and so special attention has been paid to income support in one form or another.

The findings of this report are derived from letters by governments in response to enquiries from Pensioners Concerned, and from discussions with government officials, senior citizens representatives, and voluntary agencies in the following provinces:

Alberta
British Columbia
Manitoba
Ontario
Saskatchewan
New Brunswick,

and in Ottawa.

In essence, what emerges from this project is that while significant amounts of progress still need to be made, the governments in Canada *are* working towards meeting the short-term needs of the elderly. However, the impression is also left that many governments are not yet willing, or ready, to focus their attention on the underlying social realities that have brought about these selfsame needs and contributed towards the sense of alienation felt by so many of the elderly.

Perhaps the time has come for a change.

Finally, thanks must be expressed to all the senior governments of Canada and the people within them, the senior citizens' representatives, the voluntary agencies, and others, for contributing time and effort towards helping this project. Their efforts, while anonymous, are indeed appreciated.

FINDINGS AND RECOMMENDATIONS

We have both defined and created the problem of the elderly through applying arbitrary institutional classifications which do not correspond to the heterogenous aging process.

1. *That there be a de-institutionalization of mandatory retirement and/or the creation of an "alternate" labour market as well as a general re-educative effort to break down the character typifications associated with the elderly.*

An increasing proportion of the Canadian population are age 65 and over (by 1986, 9.8% of the total population), with much of the increase taking place in the form of widowed females.

In aggregate terms, the elderly are an urban population and suffer from the same disintegration of family ties as does the general population.

While the elderly might be suspected to suffer from a drop in income upon retirement, a large number have such low incomes that they fall below the Statistics Canada "poverty line" with the single individual being particularly hard hit; many of the elderly rely solely on the government for what income they do have.

Many of the elderly still occupy owned, rather than rented, accommodation.

The Government of Canada is the major provider of direct income support payments for the elderly.

There are anomalies in what counts as income for different programs of income and social assistance which reinforce the already existing confusion between "needs" and "incomes" tests.

2. *That these anomalies be removed.*

The Canada Pension Plan is going to be a growing component of the available government income for the elderly.

The Canada Pension Plan benefits count as outside income for the purpose of getting Guaranteed Income Supplements, which means contributors to the C.P.P. do not receive the full value of their contributions.

3. *That recognition be given to the Guaranteed Income Supplement as now being a permanent feature of the income security position of elderly people, by allowing C.P.P. benefits not to be counted as income for this purpose.*

There is evidence that single, unattached individuals are having greater difficulty with their financial position than are couples.

4. *That consideration be given to adjusting upward the benefit level of unattached individuals as a proportion of that of a couple.*

Six provinces provide direct income support payments in addition to what is available from federal sources.

No province has a cost of living clause formally incorporated in its direct support payments program.

5. *That provinces not only pass on the cost of living escalation of the O.A.S. - G.I.S. program, but also have an automatic cost of living escalation of their own payments.*

Those provinces that are operating the equivalent of Guaranteed Annual Income schemes, have "single tier" schemes which incorporate disincentives towards saving for retirement. That is, for every dollar of saving contributed, there is a loss of a dollar in benefits.

6. *That the provinces operating the equivalent of Guaranteed Annual Income schemes, restructure these benefits levels so as to offer an incentive towards saving for retirement.*

The use of tax exemptions and their indexing by the Government of Canada does not add to the income of those persons with income levels below that of the exemption level. Furthermore, the use of indexed exemption levels with current benefits programs could lead to increasing anomalies.

7. *That the Government of Canada move towards a tax credit system.*

Certain provinces have instituted sales tax credits.

8. *That all provinces with a sales tax, provide sales tax credits with a taxable income off-set.*

Certain provinces have effectively cancelled or eliminated the education tax component of their property tax.

Certain provinces have a general property tax credit scheme which affects relief in all property tax.

One province has a Property Tax Deferment Plan which allows property tax to be deferred against sale of the house or death.

9. *That all provinces provide a tax credit scheme with a taxable income offset, and with an extra credit for those 65 and over.*

10. *That all provinces initiate a Property Tax Deferment Plan.*

Two provinces have Home Repair Programs designed specifically for senior citizens.

11. *That all provinces provide Home Repair Programs and that existing programs be expanded to encompass larger amounts on a continuous basis.*

Virtually, all provinces provide free physician and hospital services to the elderly; some provide subsidized drug costs and nursing home insurance plans; and few provinces provide dental or full optical coverage.

12. *That the provinces be encouraged to extend insured health benefits to cover numerous medical matters which are of vital concern to the elderly.*

The Central Mortgage and Housing Corporation is a major funding agency for senior-citizen housing, but the provinces have considerable leeway in deciding what housing policies to follow.

Most C.M.H.C. funded construction is taking place in the form of self-contained units of which there has been a

considerable amount, but there still remains a question of whether this is meeting projected demand.

Non-profit housing organizations are having difficulty in maintaining and constructing new housing at rents which low income senior citizens can afford.

13. *That further subsidization for non-profit housing should be made.*

14. *That provinces give more thought and encouragement to innovative housing arrangements for senior citizens.*

Institutional care is available in divergent amounts in different parts of Canada, but it is generally acknowledged that there is a shortage of long-term hospital beds.

Medical facilities and thinking are still admission-oriented with little thought and attention to preventative and rehabilitative aspects.

15. *There needs to be more exploration of alternative care arrangements to broaden the institutional health alternatives available.*

Few complete Community Care Programs are available in Canada, but programs of combined Home Nursing and Homemakers are operating, and several provinces are planning to institute province-wide Community Care programs.

16. *That the model laid out in the S.P.A.R.C. document, "Community Care For Seniors", be adopted.*

17. *That a detailed inventory be conducted of Community Care resources currently available in Canada.*

PART I

A BASIC QUESTION: WHO ARE THE ELDERLY?

Aging is a process that takes place for all of us. We are all on the continuum of being born, growing older and dying. Given the life expectancies of today, most of us will reach the chronological age at which society labels us as being old. It is certainly questionable in biological and psychological terms whether we all age at the same rate. It is well recognized that individuals of the same advanced age can exhibit markedly different intellectual and behavioral characteristics, and biological research has shown that while there is a definite "aging" process, this comes at markedly different rates within a chronological framework. The point is this: there is no single chronological age at which we can term a person "old."

What has happened is that the social environment has become the most significant factor in isolating only one group as the "aged". A key factor, if not *the* key factor, in the process of the sociological identification of the elderly, is the almost universal mandatory retirement age of 65. The introduction of this mandatory retirement age, and perhaps even further downward shift to 60 years of age, can be largely attributed to the labour movement in conjunction with the current cult of "Youthfulness".

This is not the place to argue the benefits and detractions of an institutionalized mandatory retirement age, but it is the place to point out that a cost of such a policy has been to remove a large group of individuals arbitrarily from the mainstream of society, not to say anything about loss of their potential productivity.

We, as a society, largely base "worth" on economic productivity. At 65, if not earlier, the individual is artificially labeled as being unproductive. The community, and his peer groups now assume a new attitude towards the individual. His occupation is now "retired." He is now "old."

Obviously, the individual finds this outwardly imposed attitudinal shift traumatic, if not alienating. His relationships of a lifetime are related to his economic role. He is conditioned to evaluate himself and others by economic status. Then, upon retirement, he is asked to accept a role requiring a completely new perspective, alien to his lifetime of conditioning, and to what the mainstream of society thinks. It is not surprising if the individual would come to question his own "worth."

The mandatory retirement age has become the basis for identifying the elderly while at the same time alienating them. As long as we persist in such a course, there will be a continuing increase of the dependency relationship of the elderly to the state; and an prevention of opportunities for countless individuals to operate at their highest level of satisfaction.

In the long run, any solution to the problems of the elderly as a group must come to grips with the questions of reintegrating the elderly into the mainstream of society (possibly through the de-institutionalization of mandatory retirement, or the establishment of an alternative labour market, such as an internal C.U.S.O.), and of a general re-educative effort to bring about an awareness of the elderly as individuals with differing capacities and capabilities.

This report will use an operational definition of the elderly as being individuals 65 years of age and over. It will use the words "aged", "elderly", "older person", "senior citizen", etc. interchangeably to represent this group. However, the point is work repeating that the use of the social definition of aging is by no means truly representative of the aging process in other terms.

PART II

A STATISTICAL PROFILE

DEMOGRAPHIC FACTORS

Size and Growth of the Population Aged 65 and Over

In Canada the proportion of the population aged 65 and over was estimated to be 1,834,200 in 1973, or 8.3% of the total population. This compares with a proportion of 8.1% in 1971, and 7.7% in 1961.

Several factors have contributed towards the increasing proportion of the total population in the 65 and over group.

The life expectancy of a male at birth in 1971 was 69.4 years and of a female, 76.5 years. These figures reflect a widening gap between male and female life expectancies which has repercussions in any planning for the aged. Another factor is the declining birth rate which effectively appears on the base of the Canadian age pyramid making us an "aging" country.

In short, the present proportion of people 65 and over is the product of relatively high fertility and immigration rates and increasing life expectancies, while the lower cohorts of the population are shrinking in proportion as a result of a decline in the birth rate.

Statistics Canada has projected a population of approximately 2.6 million for the 65+ group in 1986, representing 9.8% of the total population projected for that time. This represents a 47% increase over the corresponding 1971 figure. After 1986 it is felt that the rate of increase will decline as a result of the below average growth in the 45 to 64 year group during the period 1971 to 1986 (Table 2).

Geographic Distribution

The distribution of the 65+ group varies considerably from province to province as a result of different factors, such as internal migratory patterns within Canada (Table 3).

In terms of absolute numbers of persons 65 and over, the provinces of Ontario, Quebec, and British Columbia lead respectively. However, in terms of proportion of population of persons 65+ Prince Edward Island ranks first, with Saskatchewan second and Manitoba third.

TABLE 1

LIFE EXPECTANCIES

Year	Male	Female
1931	60.00	62.10
1941	62.96	66.30
1951	66.33	70.83
1961	68.35	74.17
1971	69.4*	76.5*

*Source: Canada - Department of National Health and Welfare.
A New Perspective on the Health of Canadians, April 1974

Source: Statistics Canada

TABLE 2

PERSONS 65+ AS PERCENTAGE OF TOTAL POPULATION - BY YEAR - CANADA

Year	Number	% Total Population
1961	1,086,400	7.7
1971	1,744,410	8.1
1973	1,834,200	8.3
1986	2,600,000	9.8

Source: Statistics Canada

TABLE 3

POPULATION 65+ AS PERCENTAGE OF TOTAL POPULATION

BY PROVINCE

	Canada	B.C.	Alta.	Sask.	Man.	Ont.	Que.	N.B.	N.S.	P.E.I.	Nfld.
1971											
Number	1,744,410	205,010	118,745	94,805	95,555	644,410	413,015	54,705	72,470	12,345	32,075
% of Total Population	8.1	9.4	7.3	10.2	9.7	8.4	6.8	8.6	9.2	11.1	6.1
1973 (est)											
Number	1,834,200	216,600	125,500	98,100	99,500	675,900	439,600	56,700	74,900	12,800	33,400
% of Total Population	8.3	9.4	7.5	10.8	10.0	8.5	7.2	8.7	9.3	11.1	6.2
1986 (Projected)											
% of Total Population	9.8	9.8	8.7	15.0	12.2	9.5	9.6	10.3	11.3	11.4	7.8

Source: Statistics Canada

TABLE 4

RURAL-URBAN DISTRIBUTION OF THE 65+ POPULATION
AND OF TOTAL POPULATION BY URBAN SIZE GROUP

CANADA 1971

	No. 65+	% Distribution of 65+	% Distribution of Total Popl.
Total	1,744,410	100.0	100.0
Urban	1,320,050	75.7	76.1
500,000 and over	542,250	31.1	31.9
100,000 to 499,999	261,690	15.0	15.6
30,000 to 99,999	151,690	8.7	9.0
10,000 to 29,999	135,915	7.8	8.1
5,000 to 9,999	68,945	4.0	3.9
2,500 to 4,999	79,355	4.5	3.9
1,000 to 2,499	80,300	4.6	3.7
Rural	424,355	24.3	23.9

Source: Statistics Canada

TABLE 5

RURAL-URBAN DISTRIBUTION OF THE 65+

POPULATION BY PROVINCE - 1971

	# in Urban	%	# in Rural	%
British Columbia	167,560	81.7	37,430	18.3
Alberta	86,290	72.7	32,460	27.3
Saskatchewan	53,225	56.1	41,575	43.9
Manitoba	67,385	70.5	28,165	29.5
Ontario	524,580	81.4	119,820	18.6
Quebec	330,665	80.0	82,405	20.0
New Brunswick	30,850	56.4	23,850	43.6
Nova Scotia	37,465	51.7	35,005	48.3
Prince Edward Island	4,700	38.1	7,645	61.9
Newfoundland	16,860	52.6	15,215	47.5

Source: Statistics Canada

TABLE 6

DISTRIBUTION OF TOTAL POPULATION AND 65+ POPULATION

BY SEX - CANADA 1973

	Total Pop.	65+
Male	11,044,200	808,800
Female	11,050,500	1,025,400
Total	22,094,700	1,834,200

Source: Statistics Canada

A glance at the projected percentage of total population figures reveals the extent of the aging process in the different provinces; attention should be drawn to the continued rapid growth trends of Saskatchewan, Manitoba, and Quebec.

Rural-Urban Distribution

As a group, the 65+ share approximately the same rural-urban distribution as the Canadian population at large (Tables 4 and 5). Canada, in aggregate, is a highly urbanized country, and the 65+ group follows this pattern. When Canada is disaggregated to the provincial level, considerable urban-rural variation is found from province to province. Here too, the pattern of distribution in each province for the 65+ group corresponds closely to the provincial distribution of the population as a whole.

Sex and Marital Status

As noted earlier, one of the interesting divergencies in the life expectancy area is the widening gap between male and female life expectancies. This trend is reinforced when specific statistics are noted -- it is estimated that in 1971, women, on the average, could expect to live seven years longer than men.

Utilizing the above figures, it is not suprising that among married couples (and most of the 65+ group are not single), the prior death of a husband is a common occurrence, leaving a surviving widow. In other words, a large proportion of the increase in population of the 65+ group has been made up of females (Table 6).

One problem relating to marital status that persistently arises is the so-called "spouse" problem. That is, when the husband turns 65 and is able to collect income benefits, etc. (normally only for himself), his wife, being of a younger age is unable to collect her benefits, with the result that two individuals must live on the benefits designed only for one.

Some 1961, but relevant data, indicated that of the 418,062 husbands 65 and over, 59.0% had wives the same age or older; 22.2% had wives aged 60 to 64; 15.9% had wives aged 50 to 59; and 3% had wives under age 50.

INCOME STATUS

Labour Force Participation

The 65+ age group has increasingly left or been forced from the labour market. This trend reflects the institutionalized mandatory retirement age mentioned earlier (Table 7). The result is that the impact of current employment income is reduced for the 65+ group.

Table 7 does not reflect another dimension to bear in mind -- that of differing participation rates for males and females. While, at the present time, the female participation rate in the 65+ group is at a minimal level, changing social patterns might exert an impact on this rate at a later point in time.

Income

The incomes of those 65 and over are substantially lower than those of the population of a whole (Table 8). This clearly relates to the lower labour force participation of the 65+ group and is reflected in the drop of the average income between the 55 to 64 age group and the 65+ group of some $3,650 in average income.

As with so much else in Canada, there are considerable regional variations in income patterns which must be borne in mind when discussing any particular region. These differences are illustrated in Table 9.

Another measure of both the regional disparities and the income levels experienced by the 65+ group (Table 10) is the extent to which members of this group are eligible for full Guaranteed Income Supplements (G.I.S.), a means-tested Federal income support payment which is given in addition to the universal Old Age Security Pension. The population receiving the O.A.S. payments corresponds closely to the 65+ population at large, and those receiving full G.I.S. have less than $2400 annual income from other sources. In 1973, some 27.2% of all Canadian O.A.S. recipients were receiving full G.I.S.

One further measure of the income position of the 65+ group is illustrated in Statistics Canada's "Incidence of Low Income" figures. Statistics Canada has established a series of "poverty lines" at which unattached individuals and families of various sizes whose incomes fall below them are considered to be spending more than 70% of their incomes on basic necessities.

TABLE 7

LABOUR FORCE PARTICIPATION RATE FOR TOTAL POPULATION AND POPULATION 65+ - CANADA - 1971

	Number	Labour Force	Participation Rate
All Ages (population over 15)	15,189,500	8,813,340	58.0
65+	1,743,420	264,050	15.1

Source: Statistics Canada

TABLE 8

PERCENTAGE DISTRIBUTION OF INDIVIDUALS
BY INCOME GROUPS, AND AGE - CANADA - 1972

All Individuals	All Age Groups	55-64	65+
Under $ 500	7.5	6.4	1.8
$500 - $999	6.3	4.7	9.3
1,000 - 1,499	5.9	5.1	9.5
1,500 - 1,999	8.5	4.3	33.6
2,000 - 2,999	9.4	8.0	17.0
3,000 - 3,999	8.0	7.9	8.3
4,000 - 4,999	7.9	9.5	6.4
5,000 - 5,999	6.6	7.6	3.4
6,000 - 6,999	6.2	7.9	2.1
7,000 - 7,999	6.1	6.8	1.8
8,000 - 8,999	5.6	6.8	1.3
9,000 - 9,999	4.8	5.2	1.2
10,000 -11,999	7.5	8.2	1.4
12,000 -14,999	5.1	5.3	1.0
15,000 - +	4.6	6.3	1.7
Total	100.0	100.0	100.0
Average Income	5,827	6,722	3,172
Median Income	4,556	5,549	1,937

Source: Statistics Canada

TABLE 9

AVERAGE AND MEDIAN INCOME OF INDIVIDUALS
FOR 65-69-70+ AGE GROUPS
BY REGION - 1971

Age Group	Canada	B.C.	Prairie	Ont.	Que.	Atlantic
65-69						
Average Income	3,576	3,540	3,417	4,044	3,317	2,663
Median Income	1,974	1,991	1,981	2,381	1,917	1,834
70+						
Average Income	2,483	2,807	2,305	2,725	2,192	2,240
Median Income	1,799	1,819	1,815	1,828	1,765	1,766

Source: Statistics Canada

TABLE 10 - OAS PENSIONERS BY GIS STATUS, NUMBERS AND PERCENTAGES BY PROVINCE, MAY(a) 1972, AND FOR CANADA, May(a) 1967 TO 1972, INCLUSIVE

Province	Number of OAS Pensioners				Percentage of OAS Pensioners			
	Total	Without GIS	Partial GIS	Full GIS	Total	Without GIS	Partial GIS	Full GIS
Newfoundland	32,706	5,542	7,508	19,656	100.0	16.9	23.0	60.1
Prince Edward Is.	12,439	2,964	4,266	5,209	100.0	23.8	34.3	41.9
Nova Scotia	73,205	24,914	21,287	27,004	100.0	34.0	29.1	36.9
New Brunswick	55,126	18,448	15,427	21,251	100.0	33.5	28.0	38.5
Quebec	424,665	169,165	109,089	146,411	100.0	39.8	25.7	34.5
Ontario	652,460	353,868	170,597	127,995	100.0	54.2	26.1	19.6
Manitoba	96,575	40,847	28,976	26,752	100.0	42.3	30.0	27.7
Saskatchewan	95,770	40,665	29,375	25,730	100.0	42.5	30.7	26.8
Alberta	119,889	51,543	34,384	32,962	100.0	43.0	29.5	27.5
British Columbia	206,455	100,460	57,792	48,203	100.0	48.7	28.0	23.3
Nwst. Territories	863	157	103	603	100.0	18.2	11.9	69.9
Yukon Territory	510	210	76	224	100.0	41.2	14.9	43.9
Canada: 1972	1,770,663	808,783	479,880	482,000	100.0	45.7	27.1	27.2
1971	1,728,342	775,469	465,986	486,887	100.0	44.9	26.9	28.2
1970	1,683,837	868,877	338,904	476,056	100.0	51.6	20.1	28.3
1969	1,513,284	736,546	302,507	474,231	100.0	48.7	20.0	31.3
1968	1,365,453	629,435	298,930	437,088	100.0	46.1	21.9	32.0
1967	1,239,385	561,827	260,183	417,375	100.0	45.3	21.0	33.7

(a) Data for the month of May are shown as being a representative distribution for the respective period.

Source: Canada - Department of National Health and Welfare, Social Security and Public Welfare Service in Canada, 1972

Table 11 reflects the percentage of unattached individuals and families whose incomes for 1972 fell below the following amounts:

- $2,110 for unattached individuals
- $3,516 for families of 2
- $4,219 for families of 3
- $4,922 for families of 4
- $5,626 for families of 5 or more members.

Note should be made of the divergence between unattached individuals and families, once again directing attention to the plight of the unattached widow or widower.

Some 55.7% of all unattached persons aged 70 or over fell below the poverty line, as compared to 33.5% of families of the same age group.

LIVING ARRANGEMENTS

It is clear that diminishing strong family ties are part of the social milieu of today. There is some evidence that traditional closely-knit family groupings still persist to a degree in the rural setting. However, the trends associated with urbanization mitigate against such arrangements and the elderly, like the population at large, are an urban population. This is to say that the elderly, like other groups, are increasingly living on their own.

The evidence relating to the growth rates of non-family households headed by persons 65+, taken in conjunction with the nature of most of these non-family households being single person households, supports this conclusion.

Tenure

There is evidence amongst the general 65+ group, and specific urban situations such as Toronto, that the elderly household heads are owning fewer homes and thet the trend is towards rental accommodation. However, the 65+ group owns and will probably continue to own, a considerable proportion of their accommodation (Table 12). Once again, one must bear in mind the regional variations in ownership patterns.

TABLE 11

INCIDENCE OF LOW INCOME
AMONG FAMILIES AND UNATTACHED INDIVIDUALS
BY SELECTED CHARACTERISTICS - CANADA - 1972

By Age of Head	Families	Unattached Individuals
24 and under	16.8	39.3
25 - 34	11.3	12.5
35 - 44	10.2	21.1
45 - 54	9.8	24.5
55 - 64	11.6	37.9
65 - 69	25.0	46.2
70 and over	33.5	55.7

Source: Statistics Canada

TABLE 12

PROPORTION OF OWNERSHIP BY HEAD OF HOUSEHOLD
BY URBAN/RURAL, BY REGION, BY AGE OF HEAD

Region	Percent of Owners				
	14-19 Years	20-24 Years	25-44 Years	45-65 Years	65 + Years
ATLANTIC:					
Rural	33	62	89	97	95
Urban	0	12	58	74	80
QUEBEC:					
Rural	0	44	83	91	15
Urban	6	3	39	52	45
ONTARIO:					
Rural	0	48	86	94	98
Urban	13	8	54	76	70
PRAIRIES:					
Rural	58	65	88	93	94
Urban	3	15	59	76	73
B.C.:					
Rural	0	37	79	92	92
Urban	0	14	62	78	69
CANADA:					
Rural	34	51	86	93	94
Urban	6	9	51	69	65

Source: Statistics Canada:
Survey of Consumer Finances 1972

HEALTH CARE

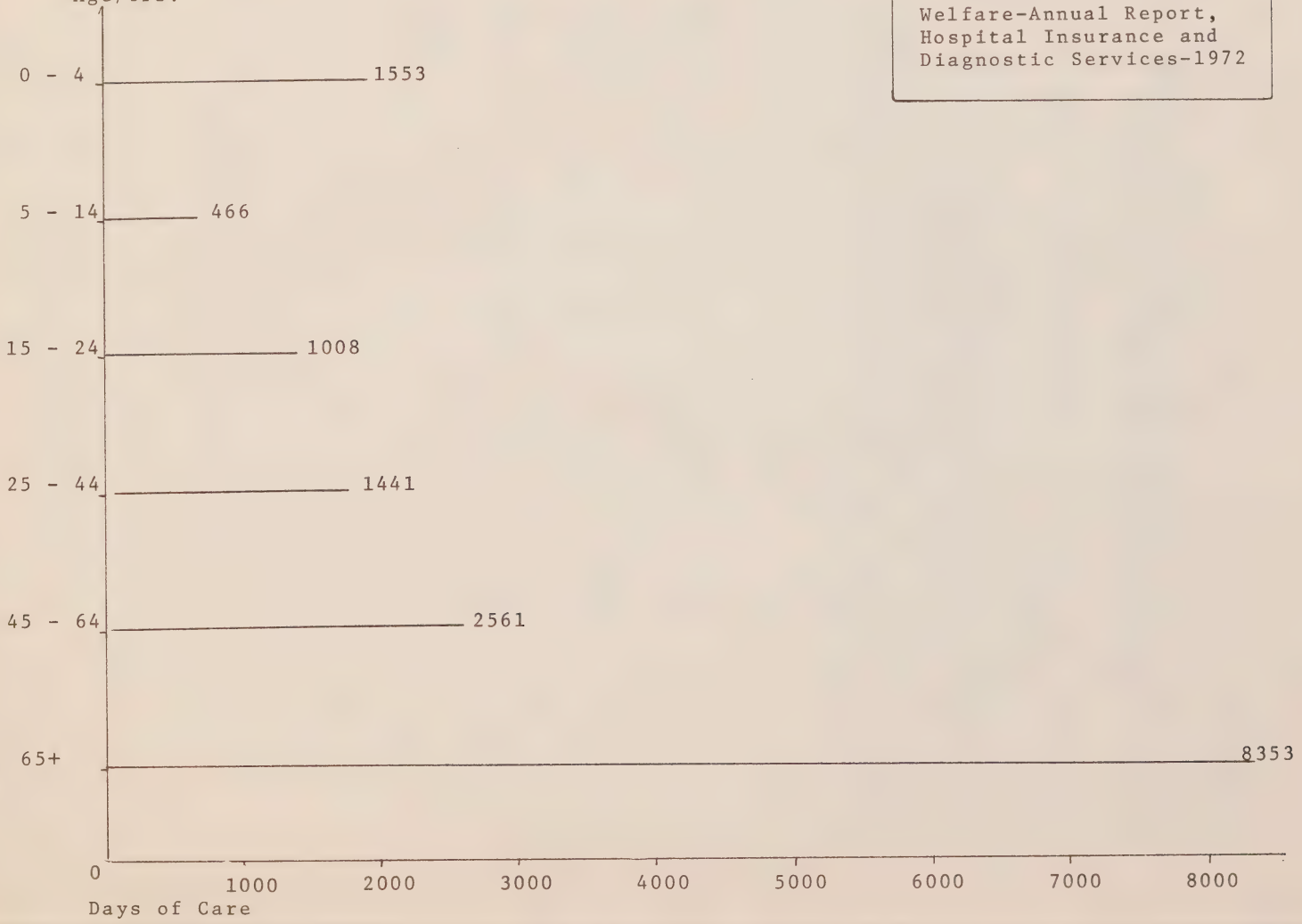
One of the special needs related to the process of aging is health care. Three commonly used measures for the demand for institutional health services are: separation, days since admission, and average length of stay.

Chart 1 indicates the days of care since admission per thousand population. The large amount of hospital care required by the elderly is apparent.

The 65+ group had an average length of stay in 1970 of 25.7 days, compared to an average 11.6 days for the population as a whole. They also had a separation rate per thousand of 325.6, compared to 164.0 separations for the population as a whole. In fact, it was stated by the Department of National Health and Welfare at that time (1970), that the elderly (7.8% of the Canadian population), required over one-third of all insured patient days.

CHART 1

DAYS OF CARE SINCE ADMISSION PER THOUSAND POPULATION, BY AGE - CANADA, 1970



Source: Canada - Dept. of National Health and Welfare-Annual Report, Hospital Insurance and Diagnostic Services-1972

PART III

DEMAND - DIRECT INCOME SUPPORT PAYMENTS

A - FEDERAL GOVERNMENT

The ways in which elderly persons receive support from the government are varied, ranging from Old Age Security Pensions to the provision of subsidized housing.

Any attempt to assess the government support services must be an attempt to assess them in their totality. It is not sufficient to consider only the money directly provided for the elderly, but any such support must be considered within the total framework of the environment of each province. For example, any money provided to the elderly Albertan will increase marginally his real income position over similar amounts in another province, because there is no sales tax in Alberta.

Nevertheless, for the purposes of this report, there must be some arbitrary divisions, and in this section, direct income support payments will be considered. By direct income support payments is meant the provision of income through programs designed to let the elderly individual purchase whatever services he desires.

In Canada, it is the federal government that provides the majority of the direct support payments going to the elderly, with most provinces providing some degree of supplementation to the federal amounts.

At the present time, there are four major routes through which the elderly person can obtain income support from the federal government.

1. Through a universal payment (Old Age Security Pension) given to all persons 65 and over, regardless of their present income.

2. Through a Guaranteed Income Supplement program, where benefits, levels, and eligibility are a fraction of the previous year's income.

3. Through the Canada Pension Plan, where benefits are geared to past contributions to the Plan.

4. Through provincial or municipal welfare, to which the federal government contributes under the Canada Assistance Plan, or the Interim Arrangements Agreement.

Old Age Security Pension

The Old Age Security Pension is a monthly benefit paid to all persons, on the basis of both age and residence in Canada. It is not necessary to be retired, or a Canadian citizen, to be eligible. The eligible age is 65, and the residence requirements are as follows:-

1. Have resided in Canada for the ten years immediately prior to the 65th birthday.

2. Have been present in Canada after reaching age 18 and before the ten years mentioned above, for periods which equal, when totalled, at least three times the length of absences during the ten year period and, in addition, have resided in Canada for at least one year immediately preceding the 65th birthday.

3. Have resided in Canada, after reaching the age of 18, for periods which total at least 40 years, even though residence may be in another country.

There is a different set of residency requirements to be met if it is sought to have the pension paid outside Canada for an indefinite period.

The amount of the benefit is $112.95 per month for each person meeting the above requirements.

An initial application must be made by the intended recipient, after which he will receive his payments by mailed, monthly cheque, automatically adjusted to any increase without the need for any further re-applications.

The coverage provided by the O.A.S. program seems to be almost as complete as it can be; the numbers receiving O.A.S. approximate very closely the total census population of the 65+ group (particularly after adjustments related to residency requirements).

In 1971, some 1,728,000 persons received O.A.S. payments out of a total census population of 1,744,000 persons 65+. As of April 1974, there were 1,863,461 persons receiving O.A.S.

Thus, effectively, the O.A.S. pension, because of its flat-rate universal conception, has become the income floor for persons 65+.

Guaranteed Income Supplement Payments

The Guaranteed Income Supplement (G.I.S.) is very closely related to the O.A.S. pension. In fact, both are incorporated in the Old Age Security Act. G.I.S. was temporarily introduced in January 1967 as a means-tested program to supplement O.A.S. payments for low income seniors.

G.I.S. recipients have to meet the same residency requirements as O.A.S. recipients. Benefits are calculated on the basis of the previous year's income and, as a result, re-application for assistance is required every year.

Both O.A.S. and G.I.S. are financed and administered by the federal government.

The benefit levels of G.I.S. vary on the basis of reported income: from a benefit of $79.23 per month in July 1974 for a single pensioner with less than $24.00 of yearly outside income, to 23¢ per month to the same individual if he had $1,896.00 yearly outside income. (These amounts are exclusive of the basic O.A.S. payment).

The benefit amounts differ slightly for a married couple (each receives a maximum of $70.36 per month G.I.S. payment) and for the married pensioners whose husbands or wives are not pensioners, this group being allowed a higher combined yearly income of $1,403.40 for the receipt of the maximum $79.23 per month payment to the pensionable individual. In other words, every $2.00 of outside income reduces the G.I.S. payment by one dollar. (See Table 12B).

Trying to determine the degree to which the G.I.S. program reaches its potential population is fairly difficult. There are always some individuals who associate the program with "welfare", and who will only apply as a last resort. However, in general the impression gained is that the program reaches its potential population. (The numbers collecting G.I.S. are given in Table 10).

Taking both the O.A.S. and G.I.S. together, there has been, historically, a fair number of increases in the rate of benefits, (see Table 13) and as of January 1972, both parts have been adjusted regularly to the Consumer Price Index to provide some measure of protection against inflation.

TABLE 12B

O.A.S. - G.I.S. BENEFITS - JULY 1974

	Single, Widowed, Divorced Pensioner	Married Couple, Both Pensioners	Married Pensioners Whose Spouses are Not Pensioners
Max. yearly (combined) Outside income allowed for max. benefits	$24.00 per year	$48.00 per year	$1,403.40 per year
Max. G.I.S. Benefit	$79.23 per month	$140.72 per month ($70.36 each)	$79.23 per month
Basic O.A.S. Payment	$112.95 per month	$225.90 per month ($112.95 each)	$112.95 per month
	$192.18 per month	$366.62 per month ($183.31 each)	$192.18 per month

TABLE 13

HISTORY OF UNIVERSAL OLD AGE SECURITY
AND GUARANTEED INCOME SUPPLEMENT PAYMENTS - CANADA

	Date		O.A.S.	Maximum Individual G.I.S.	O.A.S. plus Maximum Individual GIS
(1)	1 January	1952	40.00	-	40.00
	1 July	1957	46.00	-	46.00
	1 November	1957	55.00	-	55.00
	1 February	1962	65.00	-	65.00
	1 October	2963	75.00	-	75.00
(2)	1 January	1967	75.00	30.00	105.00
(3)	1 January	1968	76.50	30.60	107.10
	1 January	1969	78.00	31.20	109.20
	1 January	1970	79.58	31.83	111.41
(4)	1 January	1971	80.00	55.00	135.00
(5)	1 January	1972	82.88	67.12	150.00
	1 July	1974	112.95	79.23	192.18

(1) Universal Old Age Security Payment replaced needs-tested payment
(2) Guaranteed Income Supplement introduced
(3) Escalation formula introduced for OAS and GIS - maximum 2%
(4) Special GIS rate for married couples introduced
(5) Full cost of living escalation introduced for OAS and CIS

The Differential Between Benefits for Singles and Couples

One point worth some study and examination is the question of whether a couple should receive twice the benefit level of a single pensioner.

The incidence of "low income" figures in Table 11, where the level for an unattached person is set at .6, that of a couple indicates striking divergences between the percentage of elderly unattached individuals below the poverty line as compared to elderly families.

Table 14, where the single O.A.S. - G.I.S. recipient gets .52 of what a couple would get, indicates a similar, if not as pronounced, a trend: 59.7% of the single recipients received no outside income, as compared to 54.2% of the married pensioners.

Against the arguments for an upward adjustment of the proportion of benefits going to the unattached person, must be placed the argument that the state should not encourage the break-up of marriages by such an adjustment

Means Tests

What exactly counts for taxable income, as part of the G.I.S. means test, produces an interesting anomaly. For G.I.S. purposes, such things as provincial workmen's compensation benefits and welfare payments do not count for income. However, G.I.S. payments do count as income for welfare purposes.

This example illustrates just one of the stresses placed on the procurement of financial assistance for the elderly as a result of the use of different means tests to gain entry into a program.

A considerable amount of confusion exists in relationship to means, needs, and income tests. Both the needs and income tests are considered to be means tests. An incomes test emphasizes the "cash flow" aspects of a person's resources, an example of this being the taxation form filled in every year. A needs test emphasizes the "capital assets" aspect of a person's resources, and normally requires a much more complete inventory of a person's lifestyle and resources.

TABLE 14

INCOME STATUS DURING PREVIOUS YEAR OF O.A.S. PENSIONERS RECEIVING G.I.S. AS OF 1 JANUARY 1972 - BY MARITAL STATUS

	Non-Married Pensioner		Married Pensioner Couple		Married, Single Pensioner Family	
	% with income (1)	Average Inc.(2) $	% with income (1)	Average Inc.(2) $	% with income(1)	Average Inc.(2) $
ALL SEXES	40.3	257	45.8	362	60.8	875

(1) Excluding OAS and GIS

(2) Excluding OAS and GIS per pensioner having income

Source: Canada - Department of National Health and Welfare
Social Security and Public Welfare Services in Canada - 1972

The needs test often arouses indignation, particularly amongst elderly persons, because of the encroachment on what many consider to be private matters, and because of its widespread association with the welfare system where it is an integral part of the entry process. The net result is that the needs test has a welfare stigma attached to it.

G.I.S. and C.P.P.

Another aspect of interest associated with the taxable income test is the fact that Canada Pension Plan payments count as income. Every dollar of C.P.P. payments means 50¢ less G.I.S. payment.

Initially, the Guaranteed Income Supplement was designed as a temporary measure to bridge the gap until the Canada Pension Plan fully matured. On this basis, the provision to count C.P.P. payment as income makes sense. Now, however, G.I.S. is viewed as part of the permanent income structure, and will not be phased out when the Canada Pension Plan fully matures in 1976. In the light of this latter development, some difficulties can be foreseen.

In 1976, the C.P.P. recipient will be receiving a maximum benefit per month, somewhere in the region of $135. He will be still eligible for a minimal amount of G.I.S. On the other hand, the full G.I.S. recipient will not be receiving anywhere like $135.00 less than the C.P.P. recipient - it is likely to be in the range of half that amount. The point is not that incentives to partake in the C.P.P. will suffer since the plan is compulsory for most individuals, but rather that it appears inequitable that the dollar contributed towards the C.P.P. will only be worth approximately half its full value. Whether such a situation persists will be a function of such factors as the rate of inflation and the fate of any further changes in the C.P.P.

The Canada Pension Plan

The Canada Pension Plan was established in 1966. The Plan offers a retirement pension, a disability pension and benefits for the children of a disabled contributor, widows' and disabled widowers' pensions, orphans' benefits, and a lump-sum death benefit. These benefits are based on contribution to the plan.

The Plan is universal throughout Canada, except in Quebec where there is a Quebec Pension Plan. Both plans are closely co-ordinated to the extent that they can be considered as one. The benefit credits accrued under the Plans (Q.P.P. and C.P.P.) are portable throughout the country.

Contributions to the C.P.P. are made on the basis of earnings between the amounts of $600 and $6,600 for 1974. Under $600 no contributions have to be made, although the $600 is included in the calculation for the benefits available. The $6,600 represents the upper limit of contributions, and is called the Year's Maximum Pensionable Earnings (Y.M.P.E.). Contributions from the employee amount to 1.8% of earnings, and this is matched by the employer. For self-employed persons, the contribution is 3.6%.

A Retirement Pension is payable at the minimum age of 65 provided there is *retirement from regular employment* (this provision has resulted in an earnings test); and is payable at 70 years of age regardless of whether or not one is employed.

As indicated earlier, the plan has not yet fully matured so that the full rate of a 25% retirement pension of pensionable earnings does not become effective until 1976. The rate has been gradually increasing with time, making a person retiring in 1974 eligible for 80% of that 25% retirement pension; that is a rate of 20% of his pensionable earnings.

One feature of the Plan is that earnings contributed in earlier years are adjusted in line with the equivalent earnings of the benefit year and two preceding years, so that an individual's earnings are adjusted to indicate their current value.

Put more simplisticly, what is done is that the Canada Pension Plan takes past earnings that were covered under the Plan, brings them up to reflect current value, and then averages them to find out on what amount the pension should be based.

The Survivor's Pension means that a woman widowed between the ages of 45 and 65 is entitled to a widow's pension consisting of a flat-rate payment (equal to $27.06 in 1971) plus 37.5% of her husband's Retirement Pension. There must have been contributions to the Plan by the husband for three years to be eligible for these benefits.(This is for benefits commencing before 1975).

A widow, aged 65 or over receives a widow's pension equal to 60% of her husband's Retirement Pension. The widow is eligible for her Survivor's Pension in addition to any pension coming to her in her own right; but there is a ceiling on what both pensions together can add up to.

In September 1973, there were some 293,804 recipients of the Retirement Pension, with an average monthly payment to each of $33.60. Also, in September 1973, there were 14,953 beneficiaries of Survivor's Pensions between the ages of 60 and 64, with average monthly pensions of $61.68. There were 13,397 other widows 65 and over collecting Survivor's Pension.

The full impact of the Canada Pension Plan has yet to be felt on the income situation of the elderly; but clearly, with time, the number of individuals - and the amounts of their pensions - are going to increase, although, as mentioned elsewhere, this does not mean the demise of the G.I.S. payment as a means of income support for those individuals collecting from the C.P.P.

Recent Proposed Amendments to the C.P.P.

The mechanism for producing changes in the C.P.P. is a complex one since the Plan is embodied in the British North America Act. The formula for amendments is two years' notice and the consent of two-thirds of the provinces representing two-thirds of Canada's population.

Through mutual agreement between the federal government and the provinces, certain amendments were presented to the last Parliament in Bill C-19. This Bill died on the Order Paper. Since the provinces have agreed to the changes, it appears likely that the changes agreed to will go forward in the present Parliament.

The changes are:-

1. The removal of the earnings test;

2. An increase in Year's Maximum Pensionable Earnings to bring it in line with, and index it to, the average weekly wages of industrial workers in Canada;

3. A change in the Year's Basic Exemption, allowing individuals to participate in the Plan;

4. A provision of equal treatment between sexes. Thus, widowers would be eligible for the Survivor's Pension.

These amendments would increase the maximum monthly pensions to an estimated $250.00 a month O.A.S. in 1980.

The Canada Assistance Plan

The Canada Assistance Plan was enacted in 1966 as a comprehensive social assistance measure designed to complement other income security measures. It was designed to help those in need or those about to become in need.

Every province participates in the C.A.P. with the exception of Quebec which receives the same coverage through the Established Programs (Interim Arrangements) Act.

C.A.P. establishes that the federal government will share in 50% of the costs provided to persons in need, and includes the cost of improving or extending services as well as:

"Food, shelter, and clothing; items necessary for the safety, well-being or rehabilitation of a person in need, or for a handicapped person; care in homes for special care, such as a home for the aged, a nursing home, or welfare institutions for children; travel and transportation, funerals and burials; health and services, welfare services purchased by, or at the request of provincially approved agencies; and comfort allowances for inmates of institutions".[1]

The emphasis on persons in need has meant, in normal circumstances, that the needs test has become an integral part of the entry process for getting C.A.P. financing.

The C.A.P. has a widespread impact on the elderly. For example, it provides an element of the financial support for the elderly in Homes for the Aged; another example is the provision of financial support in the cost of Homemaker services.

All provinces have legislative provisions for assistance to persons in need, e.g. in Ontario the Family Benefits Act and General Welfare Act. The funding of these legislatively decreed services is often through the Canada Assistance Plan.

While generally the income levels provided through combined federal-provincial income support programs means that the elderly person will be above the level of eligibility for social assistance, his marginal income position and situations unique to his age group could mean possible recourse to direct social assistance.

The elderly person could most probably do much more to utilize social assistance in providing medical aid of numerous types, and particularly in aiding him over the "spouse problem" alluded to in the statistical profile.

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1. *Canada Year Book, 1972*, p. 348.

Some Further Issues

In recent years, there has been an increasing recognition that the present social security system has failed to alleviate the burden of the poor, particularly the working poor. A considerable number of reports and papers have come forth, presenting possible alternatives to the existing structure. Many of these papers and reports favour a Guaranteed Annual Income, a concept under serious consideration in the federal-provincial forum.

While the elderly effectively have a Guaranteed Annual Income in the form of the O.A.S. - G.I.S. program, any decision to re-shape the social security system could crucially affect them.

At present, there is a Social Security Review taking place, as outlined in the National Health and Welfare, Orange Paper - "Working Paper on Social Security in Canada".

The issues involved in the bringing forth of a Guaranteed Income scheme are numerous -- too numerous to be considered in total in this report. Some of the major issues are:

- Is such a system going to be needs or income tested? Mr. Lalonde's Calgary speach to the Canadian Conference on Social Welfare of June 18, 1974, would seem to indicate that of the three alternative Guaranteed Annual Income schemes under consideration in the Social Security Review, all are income test oriented.

- At what levels should the incomes be guaranteed? The Canadian Council on Social Development has produced a report entitled "Social Security for Canada 1973" which provides a very adequate review of the various alternative levels.

- Should the Guaranteed Annual Income replace existing programs? The thinking of the Orange Paper would indicate a preference on the part of the federal government to the retention of existing social insurance schemes such as the C.P.P., and continued reliance on individual savings as the first resource in time of need, making any guaranteed annual income scheme a supplemental program.

One could question whether rapid inflation makes saving, unless forced, a viable central feature of any social security system. It has been argued that saving in one form or another can be made attractive by a system of indexing, but as the National Welfare Council points out in "Prices and the Poor", even with an adequate index reflecting real expenditures, there are many other ways in which the poor continue to suffer at all times, particularly in inflationary times.

Another issue raised in the Orange Paper of particular concern to the elderly is the implicit argument raised when discussing the different levels of assistance, that the elderly are relatively well off in terms of benefit levels, as compared to the other lower income groups.

The question surely should not be how one group of lower income individuals (and the elderly are definitely a lower income group as measured by Statistics Canada's "poverty lines") fare against another group of lower income individuals; but how the elderly are faring in relation to maintaining a sufficient level of income.[1]

1. It was stated by the Saskatchewan Senior Citizen Commission Report in January 1974:

"We believe $350.00 for an individual, and $250.00 for each person of a couple, are the minimum acceptable levels of guarantee for the aged in Canada".

B - THE PROVINCES

The federal government, as indicated in the preceding section. has traditionally been the major provider of direct income supplement payments to the elderly. However, recently the provinces have entered the field of income supplementation for the elderly. Previously, the provinces had confined their efforts in income supplementation to the provision of welfare.

Despite the Social Security Review, there has been a marked proliferation of provincial income supplementation programs directed towards the elderly - many provinces have, or will shortly have some form of supplementation. While all the schemes were related to some form of income test (for example, eligibility being dependant on being a G.I.S. recipient), they tend to fall into two groups -- Guaranteed Annual Income schemes and a Flat Rate Payment scheme (Chart 2).

The Guaranteed Annual Income schemes are the schemes which guarantee a floor income for eligible recipients. Any eligible recipient falling below that floor level, will have his income supplemented to reach the floor. One feature of all the provinces operating the G.A.I. programs, is that they are "single tier" schemes. By this, it is meant that there is little incentive to become involved in obtaining outside income, since for every dollar of outside income there is a corresponding drop of a dollar of the support payment.

British Columbia, Manitoba and Ontario, all operate G.A.I. programs. The highest floor level is British Columbia's, which for July 1974, guaranteed a base level of $222.04 per month to a single unattached recipient 65 and over; this is followed by Ontario, giving a base level of $216.67 per month to the same category of individual; and Manitoba has a base level of $200.00 per month for the similar situation.

The Flat Rate Payment schemes are those that give an annual or monthly payment to all persons passing an overall admission criterion and not a graduated criterion.

Alberta and New Brunswick offer a supplement to G.I.S. recipients at the effective rate of $10.00 per month, while the rate of the Nova Scotia supplement to full G.I.S. recipients is $9.16 a month. This means that at current O.A.S.- G.I.S. levels, the elderly recipients of full G.I.S. in these three provinces are getting somewhere in the region of $200.00 a month for the single unattached pensioner.

CHART 2

PROVINCIAL DIRECT INCOME SUPPORT PROGRAMS

Province	British Columbia	Alberta	Sask.	Manitoba	Ontario	Que.	N.B.	N.S.	P.E.I.	Nfld.
Name of Program	MinCome	Supplement	-	M.S.E.	G.A.I.N.S.	-	Shelter Supplement	Special Assistance	-	-
When Introduced	Dec.'72	?	-	July '74	July '74	-	May '74	March '74	-	-
Eligibility by Age	60+ (60-65 by needs test)	65+	-	65+	65+	-	65+	65+	-	-
Residence Requirements	5 years in Can. + B.C.	G.I.S. Alta.	-	G.I.S. + Man.	5 yrs. in Can.- 1 in Ont.	-	G.I.S. + N.B.	G.I.S. + N.S.	-	-
Payments Made	Monthly	Monthly	-	Quarterly	Monthly	-	Annually	Annually	-	-
Max.Amt.of Prov. Payments on a monthly basis July 1974										
Single 65+	29.86	10.00	-	7.82	24.49	-	10.00	9.17	-	-
Married pensioners 65+ each	38.73	10.00	-	8.43	33.36	-	10.00	9.17	-	-
Amt. of Inc. per month including OAS-GIS for										
Single 65+	222.04	202.18	-	200.00	216.67	-	202.18	201.35	-	-
Couple 65+ together	444.08	386.62	-	353.48	433.34	-	386.62	384.96	-	-
COST IN MILLIONS APPROX.	55.0	9.6	-	3	75	-	5.7	?	-	-

Saskatchewan, Quebec, Prince Edward Island and Newfoundland, currently operate no income support programs designed to aid the elderly.

As pointed out earlier, one effect of the provincial supplementation program, when added to the existing federal income structure, is to place the majority of the elderly outside the social assistance structure.

The use of a G.A.I., as opposed to a Flat Rate Payments scheme, means conceptually that there is an inclusion of an ability-to-pay component into the program. The funds are directed towards those most in need of funds; for example, the Ontario G.A.I.N.S. scheme will be reaching 77% of the G.I.S. recipients in Ontario with the least incomes.

British Columbia - Mincome

Mincome is available to persons 60 years of age and over. Persons between the ages of 60 and 65 have to complete a needs test as part of the entry requirements, whereas those 65 and over, go through the normal income test procedures. There is a five year Canadian residency requirement.

The Mincome program is the oldest of its type in Canada being introduced in December 1972 and reflects, in general, British Columbia's advancement in the income security area. It serves some 97,000 persons between 60 and 65 and 13,000 persons 65 and over.

By having the lowest age requirement of any of the provincial schemes, Mincome goes some way towards solving the "spouse problem." Provisions are also made for a special payment to spouses under 60. The accompanying table illustrates the assistance available under Mincome. (Table 15).

The Mincome program cost $55 million in the year December 1972 to December 1973. Since persons aged 60 to 65 are admitted on a needs basis, a certain proportion of the funding for those individuals is paid through C.A.P.

Like the other G.A.I. schemes, Mincome is going to encompass a group of persons over 65 who are presently not getting G.I.S. These will be persons who do not meet the residency requirement for O.A.S., but meet those of Mincome.

TABLE 15

O.A.S. - G.I.S. AND MINCOME PAYMENTS

JULY 1974

	O.A.S.	G.I.S.	Mincome	Social Assistance	Total
Single Pensioner					
65+	$112.95	$79.23	$29.86	-	$222.04
Married Pensioner					
Both 65+ (each)	$112.95	$70.36	$38.73	-	$222.04
(both)	$225.90	140.72	$77.46	-	$444.08
Married Pensioner one 65+,one under 60					
65+	$112.95	$79.23	$29.86	-	$222.04
-60	-	-	-	$160.00	$160.00
(both)	$112.95	$79.23	$29.86	$160.00	$382.04
Married Pensioner one 65+ one 60-65					
65+	$112.95	$79.23	$29.86	-	$222.04
60-65	-	-	222.04	-	$222.04
(both)	$112.95	$79.23	251.90	-	$444.08
Married Pensioner both 60 to 65					
(each)	-	-	222.04	-	$222.04
(both)	-	-	444.04	-	$444.08

Alberta - G.I.S. Supplement

Alberta offers a $10.00 per month supplement to all G.I.S. recipients who are resident in Alberta. The eligibility requirements of G.I.S. implicitly impose an age requirement of 65 years of age or over. The 65 years of age or over age requirement is found in all provinces operating supplemental income programs except British Columbia.

Manitoba - The Manitoba Supplement for the Elderly

The Manitoba Supplement for the Elderly is effective as of July 1974, and guarantees a floor level of $200.00 per month. Payments are made on a quarterly basis. It is estimated that the program will reach some 1/3 of the elderly Manitobans.

Like many other provincial income supplementation programs, administrative difficulties are eased by using the federal administrative machinery to determine eligibility and support levels. The M.S.E. will be based on G.I.S. eligibility requirements (encompassing their residency requirement), and so unlike Ontario and British Columbia, there will not be an additional intake of persons who do not meet the G.I.S. residency requirement.

Ontario - G.A.I.N.S.

The Ontario G.A.I.N.S. scheme, effective as of July 1974, will be guaranteeing a floor level amount of $216.67 per month per eligible pensioner.

The Ontario scheme specifies a residence of five years in Canada, and one year in Ontario. While most of the supplementation programs are directed towards the residents of that province, and have nominal residency requirement, Ontario is the only province to lay down a specified residency requirement. Any residency requirements, of course, mean the elimination of possible widespread use of C.A.P. funding to finance income supplementation programs.

G.A.I.N.S. is estimated to cost approximately $75 million to the provincial coffers.

New Brunswick - Shelter Supplement

The government of New Brunswick in May of this year, introduced a two stage Shelter Supplement program. While designed to offset rent, fuel, property tax, or the cost of property maintenance, the specific uses of the funding are left up to the individual, making the program a direct income supplementation.

The payments are made in the form of an annual lump sum, with $60.00 a year going to all O.A.S. recipients, and $120.00 per year going to single G.I.S. recipients. The couple is viewed as two single individuals.

Some 38,000 persons will be receiving the $120.00 per year supplement and 19,000 will receive the $60.00 supplement.

Nova Scotia - Special Assistance

Nova Scotia has, since March 1974, been operating a three stage scheme similar to New Brunswick. An annual payment is made in amounts ranging between $50.00 and $110.00 - $50.00 being the amount for straight O.A.S. recipients, and $110.00 for the full G.I.S. recipient.

Two Points

It is worth noting what was indicated in Part III - A, that inflation is one of the most pressing financial problems facing the elderly.

No province has included an automatic escalation clause into its payment scheme. While those provinces operating a G.A.I. scheme appear willing, informally, to pass on the escalation of the O.A.S. - G.I.S. program, they have not formally committed themselves to such an approach. The result is that any province could stop the informal escalation process resulting in elimination of the program. Furthermore, the provinces sharing income supplementation programs have not even indexed their portions.

A second point to note is that the G.A.I. approach, adopted by the provinces, results in the leveling of the slight differences in the O.A.S. - G.I.S. program between single and married pensioners so that single persons will once again get half of what married pensioners get.

TABLE 16

PURCHASING POWER OF THE 1961 CONSUMER DOLLAR

Year	Consumer Price Index	Purchasing Power of Consumer Dollar
		$
1961	100.0	1.00
1962	101.2	.99
1963	103.0	.97
1964	104.8	.95
1965	107.4	.93
1966	111.4	.90
1967	115.4	.87
1968	120.1	.83
1969	125.5	.80
1970	129.7	.77
1971	133.4	.75
1972	139.8	.72
1973	150.4	.66
1974 Jan.	157.6	.63

Source: Statistics Canada

SUMMARY

The provision of direct income support payments to ease the plight of the elderly is perhaps the most developed of the benefit approaches relating to the elderly.

The provision of money has traditionally been seen as the answer to the problems of the elderly. However, while the provision of an income is essential to the elderly, is it the sole possible solution?

There have been considerable changes in the last ten years in the amounts and patterns of income support to the elderly. One change has been the increasing input of the Canada Pension Plan on the incomes of the retired. Another change has been the indexing of the Old Age Security pension and the Guaranteed Income Supplement to reflect changes in the cost of living. A further change has been the entry of the provinces into the income support field.

While some of these changes have related to the effects of inflation, continual emphasis needs to be placed there, and on the examination of the sufficiency of the current base levels. The elderly are in a position where there is no "cushion" to fall back on. Many of them rely solely on the direct income support payments as a means of survival. The inadequacies or non-existence of current indexing schemes and benefit levels place added strains on the already marginal incomes of many of the elderly.

It is too early to tell whether the provinces will continue to provide income supllements, or if there will be a single national scheme for the elderly, or if the elderly will share in the same guaranteed annual income scheme as the "working poor". These and many other questions will have to await the outcome of the constitutional maneuvering associated with the Social Security Review. However, in the short run, it appears unlikely that there will be any major new programs relating to the provision of direct income support payments.

PART IV

DEMAND - INDIRECT INCOME ASSISTANCE

A - TAX EXEMPTIONS

Indirect income assistance programs are those programs designed to either stretch the dollar value of the current assets an elderly person holds (e.g. tax credits) or to subsidize access to particular essential services, (e.g. subsidized hospital insurance). Thus, indirect income assistance is, in many ways, the equivalent of placing added income into the hands of the elderly, but can be distinguished from direct income support by its narrower applicability which leads to a more constrained choice in the purchase of services and goods.

Canada currently offers a special age exemption for income tax purposes to the elderly. This amounts to $1,066.00 for the 1974 tax year and, like the federal tax exemption system, increases to reflect changes in the cost of living. (See Table 17 showing the changes in exemption levels over that of last year.)

Arguments have been offered against using an indexed tax exemption level in that:

- It does not aid pensioners who fall below the exemption level and do not have income to be exempted.

- The raising of exemption levels has an adverse affect in terms of re-distribution of income, since the well-off benefit proportionately more in paying at a lower rate.

While this is too simple, exemption levels do not operate in a vacuum there are both federal and provincial direct income support programs.

The situation is further complicated by the Old Age Security Pension counting as taxable income whereas the other types of pensions do not. In other words, any consideration of exemption levels and of tax structures must take place within a total environment.

TABLE 17

INCOME TAX EXEMPTIONS FOR
PERSONS 65+ -1973 AND 1974

	Couple		Single	
	1973	1974	1973	1974
Personal Exemption	1600	1706	1600	1706
Age Exemption	1000	1066	1000	1066
Married Exemption	1400	1492	-	-
Medical	100	100	100	100
	4100	4364	2700	2872

The intention, then, is to examine the interaction of benefits, structures, and outside income for three different types of situations, illustrating certain features of the current direct income support schemes, and examining the exemption level question.

Canada

The first situation is that of a pensioner couple, both over 65, who receive only O.A.S.- G.I.S. (Table 18 illustrates the interaction of outside income benefit levels and taxable income for such a couple. The line FAB in Chart 3 indicates the same information in graphic form, and Chart 4 concentrates on the interaction of benefit levels and outside income.)

What emerges is that as the couple's outside income increases, they lose outside benefits, but gain by a steady upward progression of net income until they have $1,650.00 per year of combined outside income, at which point they become liable for tax at a progressive rate. That is, the couple is allowed a tax free income of up to $5,200.00 per year.

Under the above situation, the couple benefits from a double incentive (until they have $1,650.00) to continue to save and contribute outside income: having to pay no income tax and not having a total reduction of O.A.S. - G.I.S. benefits for every dollar of outside income.

In terms of the exemption arrangement the person who has no outside income certainly does not gain any additional income from having the level set at $5,200.00 per year. Furthermore, while both the exemption level and the O.A.S. - G.I.S. payments are linked to the cost of living, the distance between the greatest O.A.S. - G.I.S. payment and the tax-free exemption level will be increasing.

Ontario

The second situation is for the same pensioner couple, but when they will be getting the additional provincial Guaranteed Annual Income, such as the Ontario G.A.I.N.S. scheme. (Table 19 illustrates the net income position of this couple at different levels of outside income, with the G.A.I.N.S. program added in. The line EAB on Chart 3 indicates the same information in graphic form).

TABLE 18

NET INCOMES OF A PENSIONER COUPLE (BOTH OVER 65)
AT VARIOUS LEVELS OF OUTSIDE INCOME - CANADA

Amount of Combined(1) Outside Yearly Income	O.A.S.-G.I.S. Benefits Per Couple, Per Annum	Total of Benefits and Outside Income	Taxable Income(2)	Fed & Pro. Tax. (3)	Net Total Income
0	$ 4,399.44	$ 4,399.44	0	0	$ 4,399.44
$1,650.00	$ 3,583.44	$ 5,233.44	0	0	$ 5,233.44
$2,000.00	$ 3,415.44	$ 5,415.44	$346.80	$12.47(pro)	$ 5,402.97
$2,600.00	$ 3,103.44	$ 5,703.44	$946.80	$81.32 (39.46+41.84)	$ 5,622.12
$3,408.00	$ 2,710.80	$ 6,118.80	$1753.20	$277.79 (190.57+87.22)	$ 5,841.00
$3,600.00	$ 2,710.80	$ 6,310.80	$1946.80	$325.55 (227.35+98.20)	$ 5,985.25

1. As computed for G.I.S.

2. Based on the addition of O.A.S. payments and outside income, and using as exemption level of 4364; also on the outside income all going to one spouse.

3. Based on the tax rates of:

Federal Tax 1974 (a)

Taxable Income	Rate
under $533	12% - $100
$533-$1066	$64 + (18% on amounts 533-1066) - $100
$1066-$2132	$160 + (19% on amounts 1066-2132) - $100

(b) Plus 30.5% of basic Federal Tax as Provincial Tax.

CHART 3

NET INCOMES OF A PENSIONER COUPLE, FEDERAL, ALBERTA, AND ONTARIO - PER ANNUM

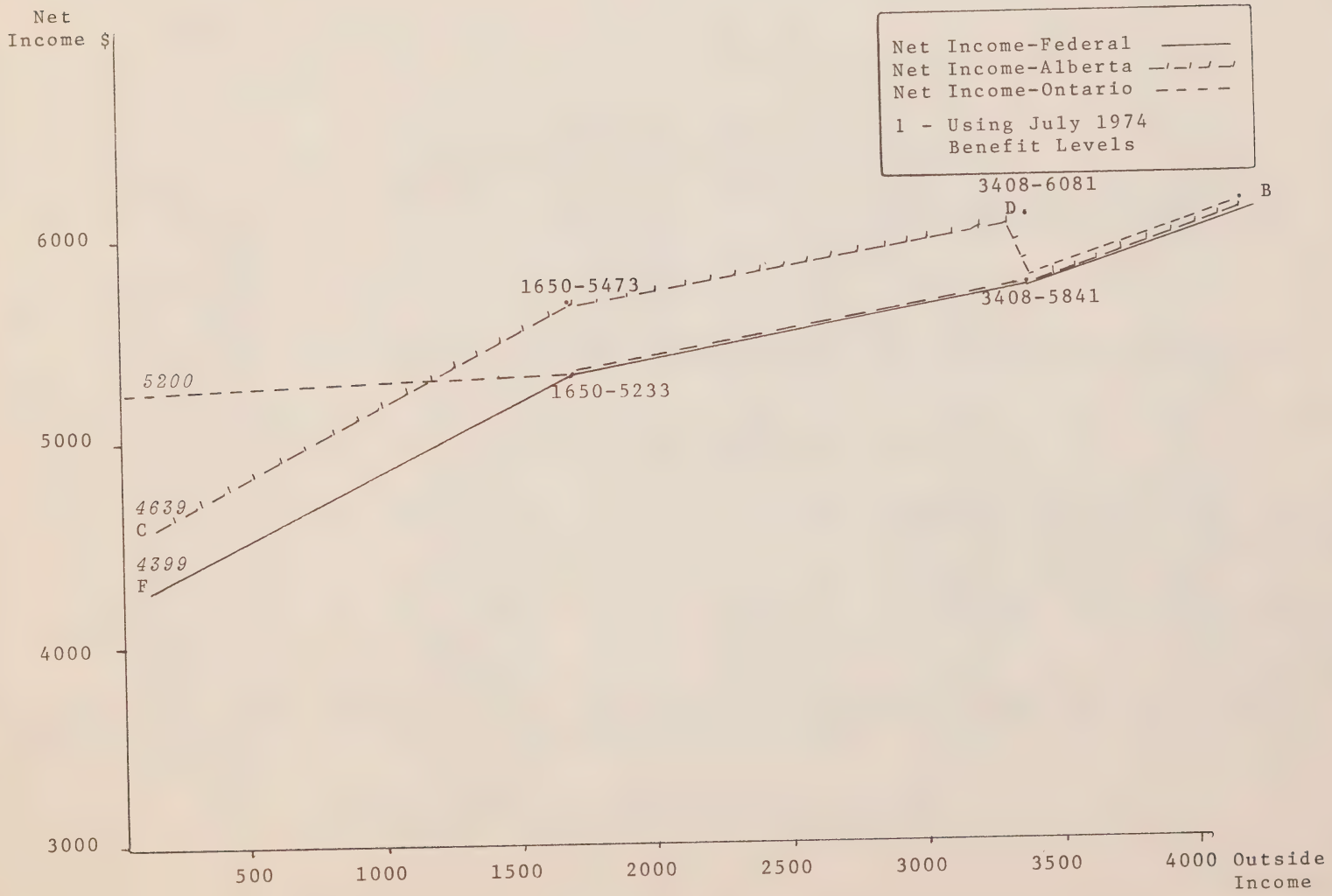


CHART 4

TOTAL GOVERNMENT BENEFITS, FROM INCOME SUPPORT PROGRAMS
FOR A PENSIONER COUPLE IN CANADA, ALBERTA AND ONTARIO (July 1974) PER ANNUM (1)

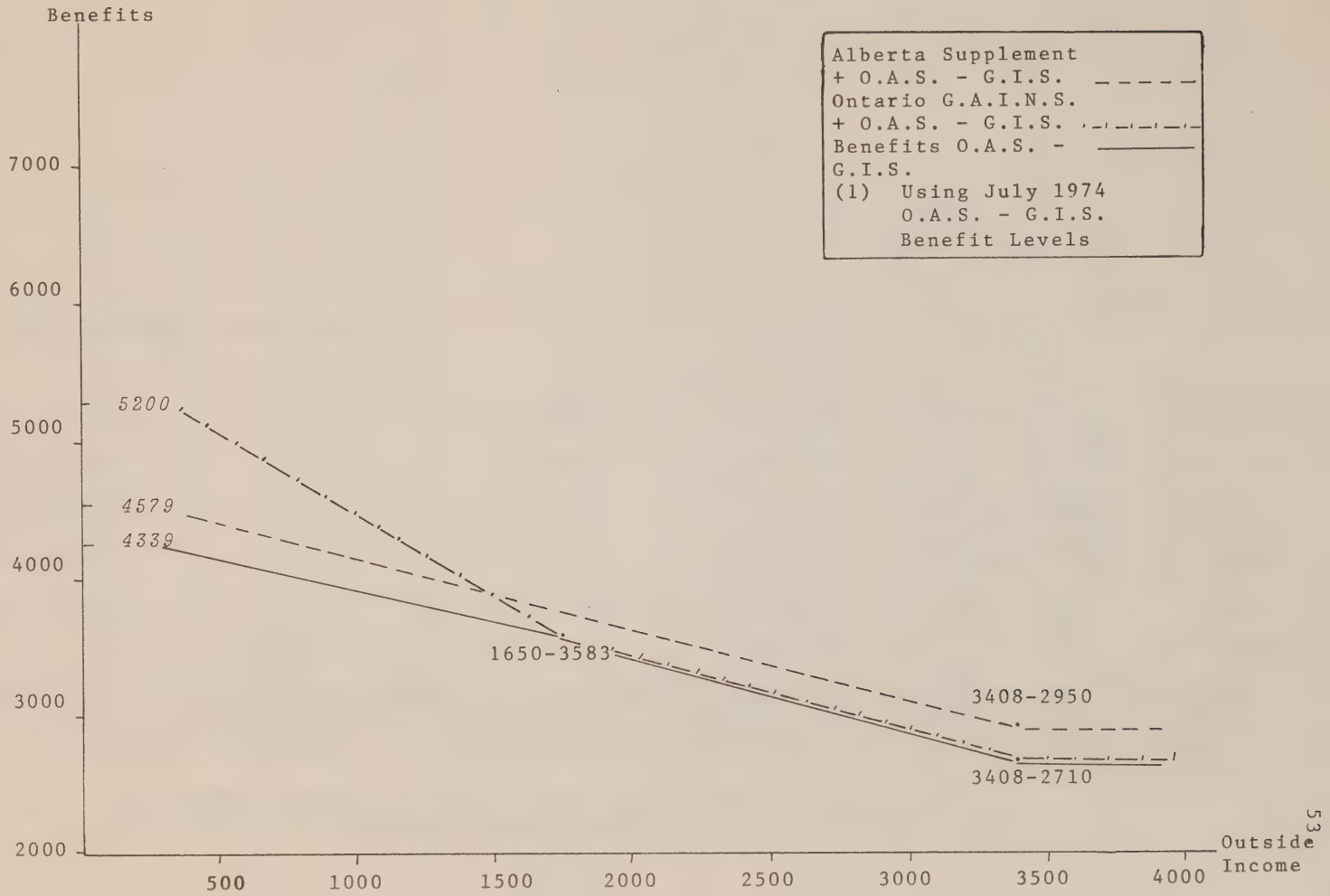


TABLE 19

NET INCOMES OF A PENSIONER COUPLE (BOTH OVER 65) AT VARIOUS LEVELS OF OUTSIDE INCOME - ONTARIO (exclusive of Ontario Tax Credits)

Amount of Combined Outside Yearly Income (1)	G.A.I.N.S. Benefits Per Couple, Per Annum	O.A.S.-G.I.S. Benefits, Per Couple, Per Annum	Total of Benefits and Outside Income	(1) Taxable Income	(1) Fed & Prov. Tax	Net Total Income
0	$ 800.50	$ 4,399.44	$ 5,200.00	0	0	$5,200.00
$1,650.00	-	$ 3,583.44	$ 5,233.44	0	0	$5,233.44
$2,000.00	-	$ 3,415.44	$ 5,415.44	$346.80	$12.47	$5,402.97
$2,600.00	-	$ 3,103.44	$ 5,703.44	$946.80	$81.32	$5,622.12
$3,408.00	-	$ 2,710.80	$ 6,118.80	1753.20	277.79	$5,841.00
$3,600.00	-	$ 2,710.80	$ 6,310.80	1946.80	325.55	$5,985.25

(1) See Footnotes: Table 18

What also emerges from this situation is that exemption levels and the benefit levels do match, so that the couple will be getting the first $5,200.00 of income tax free, no matter what their outside income.

What also emerges is a point made earlier, that the present structure of the Guaranteed Annual Income schemes is such that they have built in disincentives to contributors of outside saving. Put another way, *it does not become worthwhile for anybody expecting to contribute between $0 to $1,600.00 per annum of outside income to do so.*

Furthermore, if we assume that Ontario will be passing on the cost of living amounts of O.A.S. and G.I.S., and takes this in conjunction with indexed exemption level, there will actually be a tax *penalty* to people who contribute outside income.

To illustrate, if there is a 10% inflation rate per annum, then the couple can expect approximately a $438.00 per annum increase of O.A.S. - G.I.S. ($270.00 of O.A.S., $168.00 of G.I.S.) which, using the assumption above, means a G.A.I.N.S. amount of $5,638.00. This, in turn, means a $270.00 taxable income increase, and assessing an exemption level of $4,800.00 will allow the couple to have $1,820.00 of outside income before they have to pay tax ($4,800.00 - $2,980.00 as new total amount of O.A.S.) Yet G.A.I.N.S. will be paid to persons with up to about $2,100.00 of outside income.

In short, people with outside incomes between $1,850.00 and $2,100.00 will actually be paying tax.

Alberta

The third situation is that of the same couple in Alberta. Table 20 illustrates the net income position of this couple with the Alberta Supplement added in. This is represented in Chart 3, by the line CDB. As can be seen, this line is a constant amount above the Canada O.A.S. - G.I.S. line for where there will be any G.I.S. payments received. Put another way, every couple receiving G.I.S. will get the same extra amount of money regardless of outside income. That is, there is no ability to pay element involved in the G.I.S. range.

In this province, the exemption levels, etc. mean a couple will be allowed $5,473.00 of combined benefits and outside income before they become taxable.

The same arguments relating to the exemption level in the Canada section also apply to Alberta.

TABLE 20

NET INCOMES OF A PENSIONER COUPLE (BOTH OVER 65)
AT VARIOUS LEVELS OF OUTSIDE INCOME - ALBERTA
(exclusive of Alberta Tax Credits)

Amount of Combined Outside Yearly Income (1)	Alberta Supplement Per Couple Per Annum	O.A.S.-G.I.S. Benefits, Per Couple, Per Annum	Total of Benefits & Outside Income	Taxable Income (1)	Tax	Net Total Income
0	$240.00	$ 4,399.44	$ 4,639.44	0	0	$4,639.44
$ 1,650.00	$240.00	$ 3,583.44	$ 5,473.44	0	0	$5,233.44
$ 2,000.00	$240.00	$ 3,415.44	$ 5,655.44	$346.80	$12.47	$5,642.97
$ 2,600.00	$240.00	$ 3,103.44	$ 5,943.44	$946.80	$81.32	$5,862.12
$ 3,408.00	-	$ 2,710.80	$ 6,118.80	1753.20	277.79	$6,118.80
$ 3,600.00	-	$ 2,710.80	$ 6,310.80	1946.82	325.55	$6,310.80

(1) See Footnotes: Table 18

To summarize, the preceding analysis indicates that in provinces with flat rate direct income support payments, or no payments, the arguments advanced against having tax exemption measures as a means of tax relief appear to be strong ones.

For the provinces with Guaranteed Annual Income schemes, there could be an equilibrium between tax exemption levels and benefits. But equally well the shifting differentials between the provincial benefits and the tax structure can enhance the disincentives that exist in the present set of such schemes creating "notch" problems.

B - TAX CREDITS

If the indexing of exemption levels is how the federal government affects the tax structure, the provinces have gone the other route of instituting a system of tax credits. There are three types of tax credits currently operating amongst the different provinces which can be said to affect the financial position of the elderly. They are a Pensioners' Tax Credit, a Sales Tax Credit, and a variety of Property Tax Credits designed to help homeowners and renters.

Pensioners' and Sales Tax Credits

Ontario is the only province that gives a Pensioners' Tax Credit. This is a tax credit of $110.00 in 1974, which is applied to all persons who are 65+. The net result of this tax in terms of the Ontario Net Income Line in Chart 3 is illustrated in Chart 5. (There is an upward shift of the income by the amount of the credit). This credit for 1974 represents an increase over the 1973 amount by $10.00.

Two provinces are known to have sales tax credits. Ontario's sales tax credit amounts to 1% of basic exemptions, and Manitoba's which is termed a Cost Of Living Credit is calculated according to the amount of 2% of exemptions, minus 1% of taxable income. In Ontario, this meant approximately a $40.00 credit for the 1973 year, and will mean a $43.00 credit for the 1974 year.

The amount that sales tax is going to affect the elderly is also going to be a factor of the different sales tax rates and structures in the different parts of Canada with the exception of Alberta where there is no sales tax.

Property Tax Credits

Property taxes are taxes applied against the assessed value of a house. They go towards the paying of local services, such as education, road maintenance, etc. Many senior citizens owning homes object to the paying of property taxes, on the basis that they have already contributed their fair share of the education tax during their working lifetimes.

TABLE 20B

TAX CREDIT FORMULA CHANGES

	1973	1974
Basic Property Tax Credit	$ 90.	$180.
Pensioner Tax Credit	$100.	$110.
Sales Tax Credit (average)	$ 35.	$ 38.
Maximum Total Credit	$400.	$500.
Taxable Income Offset Rate	1%	2%

1. Sales Tax Credit = 1% of personal income tax exemption.

2. Offset rate is calculated on taxable income as reported for income tax purposes.

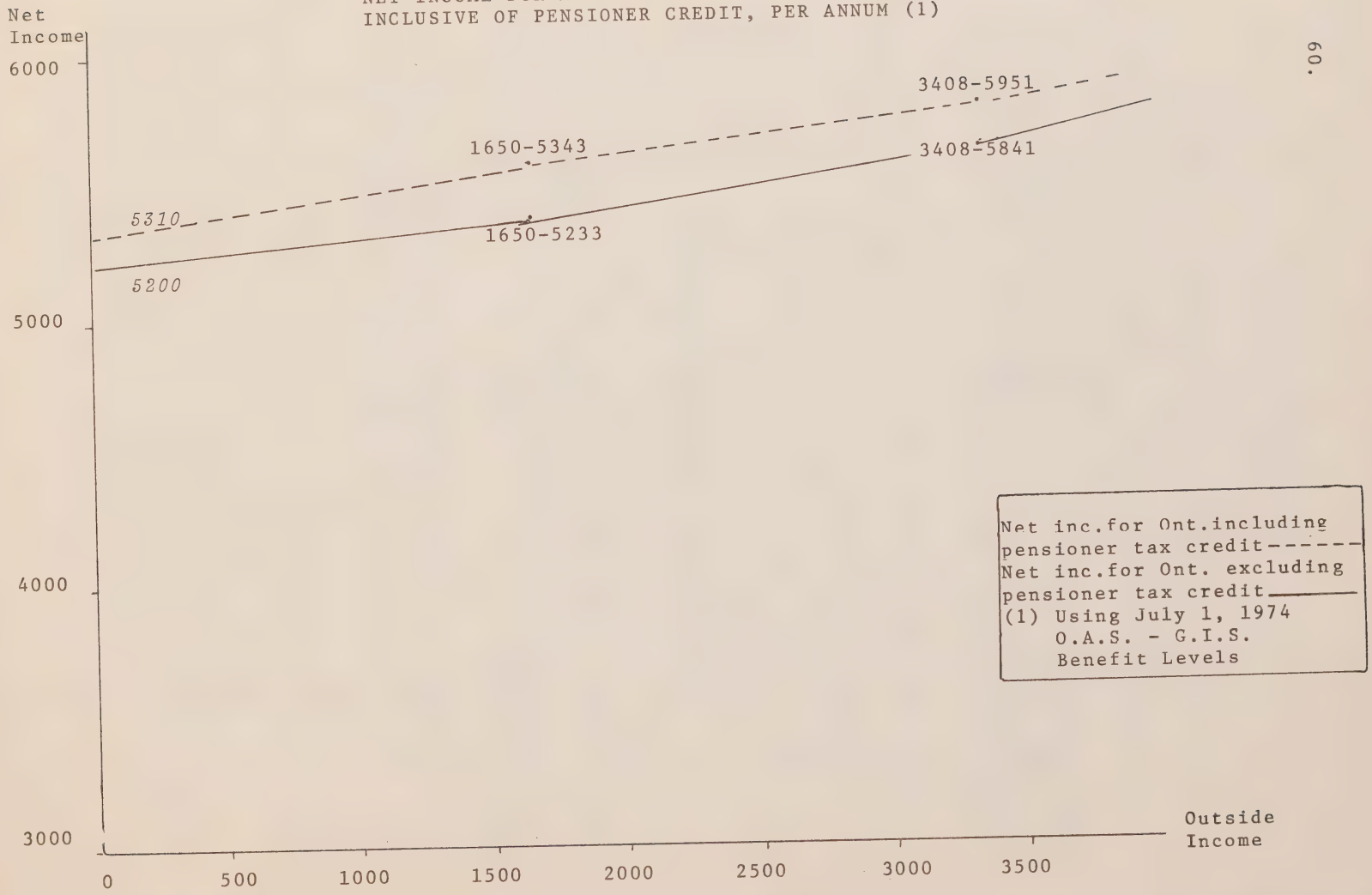
TAX CREDITS FOR MARRIED PENSIONERS
RECEIVING G.A.I.N.S. AND HAVING PROPERTY TAX OF $350.00

	1973 Credits	1974 Credits
Property Tax Credit	$125.	$215.
Pension Tax Credit	$110.	$110.
Sales Tax Credit	$ 40.	$ 43.
Total Tax Credits	$265.	$368.

Source: 1974 Ontario Budget

CHART 5

NET INCOME FOR A PENSIONER COUPLE IN ONTARIO
INCLUSIVE OF PENSIONER CREDIT, PER ANNUM (1)



Another objection raised by senior citizen homeowners is that increasing assessment value, resulting in increased property tax, is forcing them to sell their homes.

At present, the objections of the elderly are being met in various ways. Prince Edward Island has no education tax; Alberta has effectively cancelled the education component of the property tax for elderly persons; and in Newfoundland, the education assessment is dependent on income.

British Columbia has enacted a maximum $40.00 per year School Tax Credit, and Ontario has legislation enabling municipalities to grant tax relief to its resident senior citizens.

The provinces are also picking up increasing amounts of the education tax component, thereby indirectly subsidizing the citizens, in that manner.

Another way in which the provinces are reacting, is through general property tax credits. This deals with both arguments, advanced by the senior citizen homeowners. It enables those with the least incomes to benefit most, and it also means that the credit can be used to partially and completely wipe out the educational tax component.

British Columbia has a Homeowners Grant, which allows an extra $50.00 a year credit to elderly citizens, meaning a maximum property credit of $250.00. This is in addition to the $40.00 School Tax Credit.

Saskatchewan has a Property Improvement Grant. This program is designed to reduce the burden of school taxes. (It is not necessary to make improvements to the property to qualify for the grant.) This program allows the homeowner resident to apply to the grant to ½ of the general property tax up to a maximum of $160.00.

Manitoba has a property tax credit plan which allows a maximum credit of $250.00 to elderly persons. The credit is calculated according to the following formula: $250.00 less 1% of taxable income to a minimum of $150.00, with the restriction that the amount of the credit cannot exceed property taxes paid. It is estimated that 85% of the pensioners claiming the tax will receive the maximum credit.

Ontario has a property tax credit which will be calculated in 1974 on the basis of $180.00 and 20% of the property taxes paid that year. This will give an elderly couple with property taxes of $350.00 a property tax credit of $215.00 which represents an increase of $90.00 over the credit for 1973 on the same amount of property taxes. Ontario, like Manitoba, also has a taxable income offset, in the amount of 2% for 1974, which is applied to the total of all credits. Table 20 illustrates the changes in the tax credit formulas from 1973 and 1974 and their effects on an elderly couple.

In addition to the Shelter Supplement dealt with in Part III, New Brunswick also has a property tax credit scheme in which credits are a fraction of the assessment value of the property.

The property tax credit programs of New Brunswick, Ontario, Manitoba, and British Columbia also offer relief to renters.

In addition to the above traditional approaches to property tax relief, British Columbia has introduced a novel Tax Deferment Plan. This scheme enables elderly persons to defer their property taxes,at 8% per annum cost, until either the sale of the house of the death of the owners, at which times the deferred property taxes would become payable.

C - HOME REPAIR PROGRAMS

Everyone - young and old - needs a place to live. For the elderly, how they are housed takes on added importance with the passing years. Increasingly, it becomes an integral part of the life-style of the elderly person.

There are many determinants to the shelter demands of the elderly, not the least of which is income. Income means the difference between remaining in a home and living in a rented apartment; it can mean the difference between living in an independent setting or an institutional environment.

One measure of government support directed specifically towards the housing needs of the elderly is property tax relief. Another measure of support is through a Home Repair Program.

The homeownership characteristics of the elderly, given in the Statistical Profile, indicate that a considerable number of elderly persons continue to own their own homes. 94% of all rural families headed by persons 65 and over own the house in which they reside; the corresponding figure for the urban families is 65%.

These elderly homeowners are likely to suffer difficulty in maintaining these homes due to increasing physical incapacities and low income, producing an inability to pay for the necessary repairs and maintenance of the house.

One approach to the problem has been to provide repair and handyman services. This is done sporadically across Canada, as part of a community based care and service program (see Part VII).

One problem with this approach has been the provision of manpower to perform the services. Another difficulty has been the funding of such services. The consensus seems to be that unless the service is subsidized through community employment programs (e.g. L.I.P.), with their own funding difficulties, the provision of such a service becomes very costly.

A second approach of aid to the 65+ homeowner has been through providing a grant or loan for the purchase of his required repair services.

Canada

The federal government, through the Central Mortgage and Housing Corporation, provides low cost loans to low income homeowners, in designated Neighborhood Improvement Plan areas, to bring substandard housing up to local health and safety standards.

Neighborhood Improvement Plan areas are selected neighborhoods, (through provincial or municipal governments), where loans are available to secure and improve old, rundown neighborhoods. Loans are designed to reach the neighborhood at large and to encourage local involvement.

Persons located in a N.I.P. area can apply for a S.18 National Housing Act loan. These are loans to upgrade substandard housing. There is a maximum loan of $5,000 per family housing unit, providing there is an annual income of $11,000 per year or less. Homeowners with incomes of less than $6,000 per year, are eligible for a maximum forgiveness of $2,500 on their loan.

Central Mortgage and Housing Corporation also operates a Home Improvement Loan program which provides low cost loans to a maximum of $4,000 for a single family home to aid in permanent alterations and additions to homes.

Provinces

Several provinces operate programs similar to the Home Improvement Loan program designed to rehabilitate and upgrade housing. An example would be the New Brunswick Home Improvement Plan, where loans to the amounts of $5,000 at no interest are available to upgrade housing.

Most of these programs require either contributions of labour, etc., on the part of the homeowner, or are in the form of a loan, tending to make such programs unsuitable for the elderly homeowner.

Only Manitoba and Saskatchewan provide home repair programs specifically designed for the elderly. Manitoba operates a Pensioner Repair Program and Saskatchewan, a Senior Citizen Home Repair Program. The Saskatchewan program is closely modeled after that of Manitoba. Both programs provide a maximum grant of $500.00.

An information brochure of the Saskatchewan program is reproduced in Appendix A.

These programs have met with considerable demand and can be termed to be extremely successful. However, two criticisms have been expressed of the programs. One criticism is that the elderly have difficulty in maneuvering through the attendant problems associated with obtaining tenders. The other problem relates to the single $500.00 grant aspect of the program.

The Manitoba Government, in its "Guidelines for the Seventies", estimated the amount of $1,000 was the required amount for the type of repairs covered by the program. This figure, coupled with the heavy demand for grants, would tend to indicate that the programs should operate on a continuous basis in larger amounts. Perhaps so much grant per annum?

D - HEALTH BENEFITS

The elderly do have special health needs. As the aging process takes place, in addition to short term health deficiencies, gradual physical deterioration manifests itself when the increase in (physiological terms) the co-ordination can no longer match the deterioration. The extent of the health needs of the elderly were previously demonstrated in the Statistical Profile, but the profile did not reflect the also heavy demand for physical facilities, nursing home care, dental services, pharmaceutical needs, etc. That is, the elderly not only suffer from considerable health care needs, but these needs are spread right across the health spectrum.

The problems of the elderly are, of course, compounded by limited incomes, making access to health care difficult - a problem they share with considerable proportions of the population.

The response to the problems of access have been traditionally overcome by the introduction of health insurance plans which subsidize the cost of health care from the patients' point of view. This in turn has led to a surge in utilization with its matching increase in health costs, a matter we shall be discussing in Part VIII.

Public Medical Care and Hospital Insurance

Provincial hospital insurance programs cover 99% of the population of Canada. Under the Hospital Insurance and Diagnostic Service Act, the Government of Canada contributes about 50% of the costs associated with the hospital insurance programs. The other 50%, a slightly variable figure from province to province, is paid by the province. The result is that in all but two provinces, from the point of view of the elderly, there are no costs associated with standard hospital accommodation.

British Columbia charges a dollar a day for standard ward care. In Alberta there is a charge of $5.00 for the first day in active treatment hospitals and $3.00 per day after 120 days in auxilliary hospitals.

The range of services covered by the hospital insurance plans is extensive and includes some amount of out-patient coverage.

All provinces have Public Medical Care Insurance to cover the cost of physician services.

HOSPITAL PHYSICIAN AND NURSING HOME BENEFITS FOR PERSONS 65+

	British Columbia	Alberta	Saskatch.	Manitoba	Ontario	Quebec	N.B.	N.S.	P.E.I.	Nfd.
Has Hospital Insurance (Coverage for all persons)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Charges for Hospital Care	$1/day stnd. ward	$5/day 1st day	no premium	no premium	free persons 65+	(income)	no premiums	no premiums	no premiums	no premiums
Was Insured Physician Services?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cost of Health Premiums for persons 65+	(income)	free to 65+ also covers dependents & spouses	no premium	no premium	free persons 65+	(income)	no premiums	no premiums	no premiums	no premiums
Provides Nursing Home Insurance?	No	Yes	No	Yes	Yes for 1½+ hrs.care	No	No	No	No	No
Co-Insurance Fee	-	$3/day	-	$4.50/day	$5.45/day	-	-	-	-	-

NOTE: This is exclusive of social assistance

There is complete coverage of the Canadian population. The federal government also shares in the cost of these plans under the Medical Care Act.

From the point of view of the person 65 and over, no premiums have to be paid for physician services except in British Columbia and Quebec where premiums are a fraction of income. The provinces of Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland have no premiums for any of the individuals in the province, whereas Alberta[1], Saskatchewan, and Ontario only offer free premiums to persons 65 and over.

Nursing Home Insurance

Three provinces have Nursing Home Insurance coverage; they are Alberta, Manitoba, and Ontario.

In the other provinces, while some subsidization takes place, through the form of a monetary payment directly to the nursing home, or perhaps even through capital contributions towards construction costs, the fact is that the current direct income support payment will not completely cover the costs of a stay in a nursing home.

The provinces with insurance schemes, all operate with a co-insurance fee. The fee is $3.00 a day in Alberta, $4.50 per day in Manitoba, and up to $5.45 a day in Ontario. The reasoning behind the co-insurance fee appears to be that since the provinces are funding complete room and board, the individual in the nursing home should be paying something towards his care; that is, he should not get a complete windfall of all his direct income support payments.

Under the Alberta Hospitalization Benefits Program, senior citizens, who are residents of Alberta are entitled to benefits in contract nursing homes throughout the province. These benefits amount to a subsidy of $7.75 per day. The Alberta program was the first such program to be initiated in Canada.

The Manitoba Nursing Home Program is run by the Manitoba Health Service Commission. This program like Ontario's, was recently established. It features a complete structure of subsidization, taking into account the type of institution (profit or non-profit) and the level of care.

1. *An interesting feature of the Alberta subsidy premium is that it also serves the spouse, regardless of age, of the individual who is 65+.*

The Ontario nursing home program is operated in two parts: nursing requirements of persons not in homes for the aged come under the jurisdiction of the Ministry of Health; those of persons in homes for the aged are within the jurisdiction of the Ministry of Community and Social Services. Unlike the two other provincial schemes, there is a qualification requirement for Extended Care coverage other than admission to a nursing home, that is, the patient must require at least 1½ hours of nursing care a day.

All nursing homes in Ontario are licenced under the Nursing Homes Act 1972 and must participate in the Extended Care program. The plan specifies the maximum rates applicable to different types of accommodation (e.g., private, semi-private, ward). It then pays $11.55 a day towards the care of qualifying residents, with the resident making up the difference between the $11.55 and the applicable rate for his type of accommodation. The amount the resident pays for ward accommodation is $5.45.

Pharmacare (Drug Benefits)

Many provinces have, or will shortly have, programs designed to provide the elderly with prescription drugs at minimal or no cost. This type of program is of recent origin and its full implications have yet to be felt. As in other areas, the degree that the plan covers all persons or just persons within target groups (e.g., 65+) is variable. However, the general impression gained is that, whatever the constraints of costs, the drug programs will eventually be extended to cover all segments of the population.

One issue, as with all other benefit programs, is the degree of subsidization of the service versus the question of degree of utilization of the service.

Another issue of importance is the question of who will pay the cost of the purchase of drugs until the reimbursement takes place.

In Alberta and Manitoba the senior citizen contributes 20% of the cost of his prescription; in Saskatchewan, it is expected that the individual will pay the first $1.50 of each dispensing fee with the government covering the remainder of the dispensing fee and material costs.

Manitoba will not pay for the first $25.00 of prescription costs in each six-month period; Quebec will only offer assistance after the first $40.00 of prescription costs.

Most programs visualize either the pharmacy billing to the government directly or the senior citizen paying the full cost initially and receiving prompt reimbursement.

CHART 7

DRUG, DENTAL, EYE-GLASS, HEARING AID BENEFITS FOR PERSONS 65+

	B.C.	Alberta	Sask.	Manitoba	Ontario	Quebec	N.B.	N.S.	P.E.I.	Nfld.
Provides Drug Plan	Yes	Yes	being formulated	Yes	Sept. 1974	Yes	No	as of Oct. 1974	No	No
Coverage	65+	65+ spouses & dependents	Universal	65+	All persons on G.I.S.	? persons of 65+	-	65+	-	-
Costs Borne by Recipient	No cost	20% of cost	1st $1.50 of each dispensing fee	20% of cost & 1st $50. of prescriptions	No cost (?)	1st $40. of prescriptions	-	?	-	-
Provides Dental Plan To Adults	No	Persons 65+	No	No	No	No	No	No	No	No
Provides Eye-Glass Plan To Adults	No	Persons 65+(90% of cost)	No	No	No	No	No	No	No	No
Hearing Aid Plan	No (Under Study)	Yes	Yes	No (Under Study)	No	No	No	No (Under Study)	No	No
Cost to Recipient	-	Free	Material at cost	-	-	-	-	-	-	-

NOTE: Exclusive of social assistance

Manitoba, however, requires that the prescription bills be submitted only once every six months by the citizen, which could amount to a considerable amount of outlay for some elderly people.

In terms of cost of prescription drugs, by far the largest variable is the dispensing fee, which, on an average prescription, amounts to about one-half of the total prescription. Most governments have been attempting to keep the overall cost of a drug plan down by controlling the dispensing variable by setting a maximum allowable amount, and by controlling material costs as well, through substitution, etc.

Hearing Aid Plans

Saskatchewan and Alberta are the only Canadian provinces which provide Hearing Aid Plans for their elderly.

The Saskatchewan plan provides the labour free and the materials at cost whereas Alberta provides both free under its Extended Health Benefits program.

Optical and Dental Benefits

All provinces provide subsidized eye examinations, either through an opthamologist or optometrist.

Alberta is the only province which provides eye glasses to the elderly (heavily subsidized to about 90% of cost).

Alberta is also the only province which provides dental benefits to cover the elderly. The benefits are free and cover extensive dental work, including dentures.

Both these programs are provided under the Extended Health Benefits program.

A Question of Payments

Underlying the whole income area is the question of whether services or income should be on an ability-to-pay basis or universal.

An ability-to-pay arrangement incorporates some evidence of need, resulting in a greater degree of equity in terms of burden for those providing the revenues for the scheme.

On the other hand, universality ensures the provision of the service as a right thereby avoiding the welfare stigma and implicitly encouraging widespread use of the service. This latter point is at the risk of encourage over utilization, resulting in inequities for those paying for the service.

The best alternative is by no means obvious. It might be either; or perhaps a combination of a barrier level with subsidization at every point thereafter. This second course still leaves unanswered the question of what level the barrier should be set at -- high enough to be a discouragement, but low enough not to be a strain for the low income client.

Future Changes in Medical Benefits

As indicated above, financial constraints seem to play a fairly important role in the provision of health care, perhaps more so than in other areas. What appears likely is that over the next five years there will be a gradual rounding out of the health benefit area depending on this cost constraint.

The other major constraint appears to be manpower requirements. This is particularly true in the dental area making it appear probable that dental benefits will be the last to be implemented.

Over and above these constraints are innumerable other issues, not the least being the enrolment of professional bodies into any such scheme.

SUMMARY

There are many ways in which the Government of Canada provides the equivalent of extra income, without actually providing direct income support payments. We have designated these as indirect income assistance since these programs have narrower purposes but achieve somewhat of the same results as direct income support.

One measure of relief afforded by indirect income assistance is the use of tax exemptions and credits to help low income persons. In using these measures, consideration should be given to the interplay of existing benefits outside income and the tax measures. Bearing this in mind, the use of tax credits seems preferable to that of exemptions because of the potential anomalies associated with exemptions, and because exemptions do not aid the person who has an income level below that of the exemption level.

Tax credits themselves are available in several different forms, with property tax relief being perhaps the predominant form available. That is, the elderly homeowner most probably benefits most from the present tax credit structure.

The elderly homeowner also benefits from the availability of grants and loans available for the repair and maintenance of his home, although only two provinces have grant programs directed specifically towards the elderly homeowner.

The whole elderly population benefits from the other major form of indirect income assistance - the availability of health insurance of various types. Thus the elderly get free or subsidized hospital and physician services, and will increasingly be getting subsidized drugs. However, there are other health difficulties associated with aging and there is a need for medical aids and assistance, such as nursing homes or dental work, which currently are only receiving sporadic subsidization.

In general, indirect income assistance programs form a significant part of the total income and services available to the elderly and, while fairly recent in origin, those items defined as indirect income assistance will probably expand with time.

PART V

SUPPLY - HOUSING

Seniors share many of the same housing characteristics as the general population. They own houses, occupy apartments, and live in nursing homes.

Governmental support for those elderly who reside in their own homes has already been discussed; here discussion will centre around those persons who occupy the rental portion of the tenure market.

Alternative Aids to the Renter

Among elderly persons residing in private rental accomodation, with constantly rising rents, there is a widespread sentiment that the government should be subsidizing their present rent increases rather than putting up more senior citizen apartments. This concept of subsidization of present rents is termed Rent Supplement In Situ.

No province has a full fledged "in situ" program in operation. The reasons given for its non-existence turn on the fear that landlords will engage in profit gouging, and the administrative problems of such a program.

A second possible way to deal with the rental problems of the elderly is by stopping the escalation of rents for those on fixed incomes. This is termed Rent Control.

British Columbia is the one province that has a rent control program operating. The British Columbia program allows a minimum 8% increase in rents in any one year. It is presently too early to assess the full repercussions of the program, particularly as the Rentalsman, the person who will police the legislation, has just been appointed.

A third way to deal with the rental problems of the elderly is to actually provide alternative cheaper housing instead of trying to control the existing market rent structure. This is the major route that the federal and provincial governments have been following, and we are likely to follow.

The Central Mortgage and Housing Corporation

The Central Mortgage and Housing Corporation is the major agency in Canada through which funding for alternate low rental housing for seniors is financed.

The Central Mortgage and Housing Corporation is the Crown Agency which administers the National Housing Act. The Central Mortgage and Housing Corporation provides low interest mortgage loans (which can be amortized over a period of 50 years) and grants for the construction of housing for senior citizens by entrepreneurs, non-profit organizations and governmental bodies.

The Corporation views its mission as being a socially oriented one - that is, housing for specified social goals - as opposed to trying to influence the total housing market in Canada. The Corporation places particular emphasis on aid to low income groups and individuals, of which housing for the elderly has been an increasingly important part. Table 21 illustrates this by showing that the portion of financing going to the elderly of all low income financing has been rising.

The Central Mortgage and Housing Corporation does not actually initiate housing, although it is actively moving into the area of encouraging local non-governmental groups to get involved in constructing housing to meet their needs. Some of the recent amendments to the National Housing Act are directed towards providing added support to such non-governmental groups. For example, the groups can apply for up to a $10,000.00 grant "start-up" funds to get the project underway.

Central Mortgage and Housing Corporation funding reaches the elderly through one of three major routes:-

- Under S-15 (1) of the National Housing Act. This section provides funds directly to *non-profit organizations*, and allows up to a 100% low cost loan, with a 10% forgiveness.

- Under S-40 of the National Housing Act. This section allows the Corporation to enter into a *partnership* with the province to directly provide the housing. Under this section, there is a 75% contribution from the Corporation, and a 25% contribution from the province.

- Under S-43 of the National Housing Act. This is where the Corporation *loans* funds to the provincial housing bodies who in turn direct the construction or non-construction of the housing. Under this section, the Corporation will loan up to 90% of the capital cost of the project.

The entrepreneurial route is not a major route for housing for the elderly, and in 1973 only 7% in dollar terms of the Corporation loan approvals for elderly housing went to entrepreneurs.

TABLE 21

C.M.H.C. LOANS AND CONTRIBUTIONS
TO NEW HOUSING TO ELDERLY
AND ALL LOW INCOME GROUPS

A. New Housing for Elderly Persons		% of B	B. All New Housing for Low Income Groups
	$000		$000
1946-1973	823,369	22.1%	3,729,052
1970	127,506	17.6%	724,193
1971	127,071	20.2%	630,081
1972	128,612	29.0%	442,857
1973	128,172	34.5%	371,615

Housing under S-40 and S-43 is considered to be public housing. The housing under S-40 and S-43 is normally on a "rent-scaled-to-income" basis, with the Corporation providing up to 50% of the operating deficits under S-40 and up to 75% of the deficits under S-43. Because of the greater capital contribution of the Corporation under S-40, the Corporation has retained a greater control of developments under these sections, which has generally led to a slower developmental process as compared to S-43 housing.

Provincial Housing Agencies

Each province has a provincial housing agency directing public housing in that province. The extent that these agencies become involved in the provision of public housing changes from province to province; some act primarily as funding agencies, others actively direct, construct and manage their public housing.

The provincial housing agencies also normally administer the bulk of any alternative sources of funding available to non-profit housing.

In general terms, British Columbia, Alberta, Saskatchewan, and Manitoba have legislation allowing grants of a third towards the costs of non-profit housing projects.

These grants are often tied to some contribution on the part of the organization applying for the grants. The other provinces provide support in lesser amounts.

Some of the provinces also have measures of financial support directed towards specifically aiding hostel accommodation. This is now being questioned as a result of: current trends in the delivery of care; the expressed housing preferences of seniors for self-contained accommodation; and the continuing shading of hostel accommodation into care accommodation. A more detailed list of the additional support available to non-profit housing is incorporated in the Canadian Council on Social Developments study "Beyond Shelter". This report also incorporates excellent study of user characteristics.

Quantification

The extent and types of dwellings being constructed through Central Mortgage and Housing Corporation financing is indicated in Table 22.

The figures in Table 22 and in the other tables represent loan approvals and not actual occupancy. Nor do they represent construction that has been undertaken under provincial programs such as the Alberta Lodge program, or the Ontario Homes for the Aged program, so they should be used with caution.

Table 22 indicates that new construction is taking place at a rapid pace, and most of it is in the form of self-contained units rather than hostels.

The way in which this housing expansion is affecting the overall per capita senior citizen housing situation in the different provinces is reflected in Charts 8 and 9.

To illustrate with an example: Chart 8 indicates that British Columbia had, between 1946 and 1970, received 8.5 hostel bed approvals per thousand elderly persons of Central Mortgage and Housing Corporation loans. This was below the Canadian average for that period of 12.0 approvals. By 1973, British Columbia had received a total of 18.9 hostel bed approvals per thousand elderly persons, which now placed it above the Canadian average for the period of 1946 to 1973, of 14.9 approvals. While the approvals are only loan approvals, they can be closely equated with the actual number of hostel beds built under the Corporation financing.

The manner in which each province financed its expansion is reflected in Table 23. For example, British Columbia can be seen to have built most of its recent new units, and hostel beds (90.1% of them) under the non-profit- S-15(1) - route, whereas Ontario built most of its recent new units and hostel beds under the S-43 provisions. These figures are slightly misleading in that they lump new self-contained and hostel accommodation together, wheras in fact, there is a further subdivision in which the provincial housing agencies have been concentrating on self-contained units leaving to the non-profit organizations the provision of hostel beds and mixed developments. Thus, of the 28,177 units approved under S-15(1), S-40, and S-43 of the National Housing Act in the period 1971 to 1973, 81.2% were approvals under the public housing sections (S-40, and S-43); and of the 6292 hostel beds approved in the same period under the same sections, 97.6% of the beds were approved under S-15(1) of the National Housing Act. Put another way, Table 23 represents the overall direction of proprietorship in the provinces and not the full impact of the provincial housing bodies.

TABLE 22

NET LOANS AND CONTRIBUTIONS BY C.M.H.C.
FOR ELDERLY PERSONS DWELLING UNITS
AND HOSTEL BEDS UNDER S-15.1, S-40, S-43
FOR PERIODS 1946-1970 and 1946-1973

Province	1946 - 1970 Number of Dwelling Units	1946-1970 Number of Hostel Beds	1946-1973 Number of Dwelling Units	1946-1973 Number of Hostel Beds
British Columbia	5346	1747	8661	4098
Alberta	978	139	2540	813
Saskatchewan	731	1924	1712	2416
Manitoba	1715	1795	5766	2761
Ontario	15184	2572	29926	3634
Quebec	1845	10865	709	10330*
New Brunswick	517	670	910	1209
Nova Scotia	687	902	2768	1337
Prince Edward Island	279	266	375	272
Newfoundland	16	122	50	425
Canada	27323	21002	55500	27295

* Some Quebec loans were cancelled.

Source: C.M.H.C. Statistics

TABLE 23

NET LOANS AND CONTRIBUTIONS BY C.M.H.C. TO DIFFERENT PROVINCES FOR ELDERLY PERSONS DWELLING UNITS AND HOSTEL BEDS UNDER S-15.1, S-43 and S-40 of N.H.A. 1946-1970, 1971-1973.

Province and Period	No. of Dwelling Units and Hostel Beds, constructed or to be constructed under all sections	% of Units and beds under S-15.1	% of Units and beds under S-43	% of Units and beds under S-40
British Columbia				
1946-1970	7093	68.4	-	31.6
1971-1973	5666	90.1	-	9.9
Alberta				
1946-1970	1117	75.7	-	24.3
1971-1973	2236	83.8	-	16.2
Saskatchewan				
1946-1970	2665	6.8	-	93.2
1971-1973	1473	30.3	-	69.7
Manitoba				
1946-1970	3510	88.4	11.6	-
1971-1973	1276	25.4	74.6	-
Ontario				
1946-1970	17750	23.5	76.3	0.2
1971-1973	15804	7.5	92.5	-
Quebec				
1946-1970	12710	23.5	76.3	0.2
1971-1973	139	42.3	57.8	-
New Brunswick				
1946-1970	1187	59.5	38.6	1.9
1971-1973	932	69.7	30.3	-
Nova Scotia				
1946-1970	1589	73.8	5.2	21.0
1971-1973	2516	17.9	32.8	49.3
Prince Edward Island				
1946-1970	545	100.0	-	-
1971-1973	102	-	100.0	-
Newfoundland				
1946-1970	138	88.4	-	11.6
1971-1973	337	96.4	3.6	-

Source: C.M.H.C. Statistics

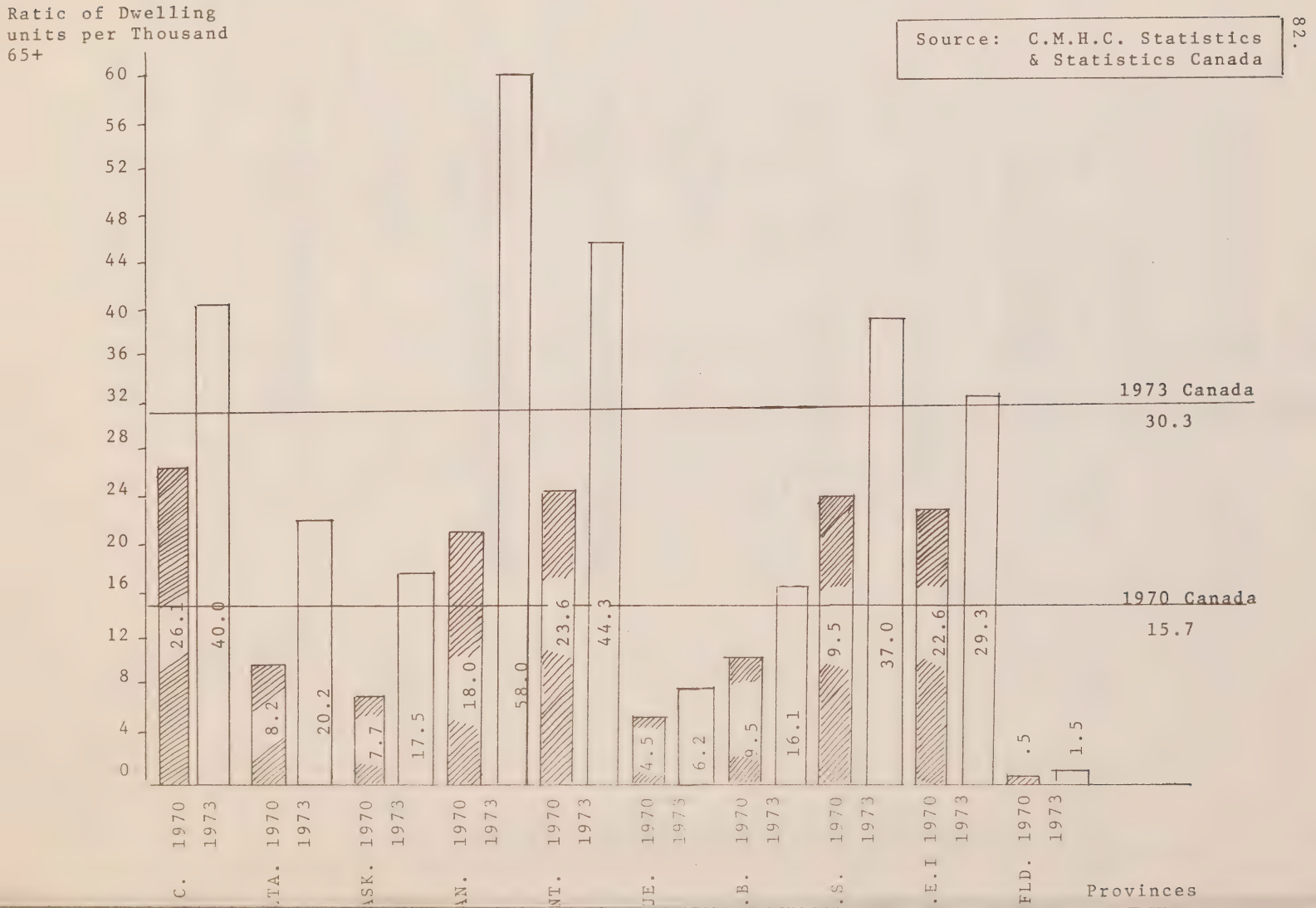
CHART 8

NET LOANS AND CONTRIBUTIONS BY C.M.H.C. TO NEW HOSTEL BEDS (S-15-1,S-40,S-43)
FOR 1946-1970 and 1946-1973 PER THOUSAND 65+ (1971 - 1973)

*Quebec drop is partially accounted for by cancellation of loans.
Source: C.M.H.C.Statistics & Statistics Canada

CHART 9

NET LOANS AND CONTRIBUTIONS BY C.M.H.C. TO NEW DWELLING
(S-15,S-40,S-43) UNITS (1946-1970, 1946-1973) PER THOUSAND 65+ (1971,1973)



How Much Housing is Needed?

On the basis of Charts 8 and 9 added together, Canada can, or shortly will, be able to house approximately 5% of its elderly people. Is this sufficient?

The Saskatchewan Housing Corporation would like to be able to house 15% of the elderly. Is this sufficient?

The Special Senate Committee on Aging, estimated that in 1961, there were some 300,000 elderly persons who were ill-housed. The Committee also projected a need for a further 211,000 new or converted units between 1961 and 1980 just to deal with the increasing number of elderly persons in the population. That is, the Committee estimated a projected need to house about 21% of the elderly. By this criteria, even the stated goals of one provincial housing agency fall short of what is needed, let alone that there is presently sufficient housing to meet the current needs of the elderly.

A GLANCE AT SEVERAL PROVINCIAL POLICIES

New Brunswick

The New Brunswick Housing Corporation uses S-43 of the National Housing Act to finance most of the self-contained units being built in the province. Most of the N.B.H.C.'s construction is within the New Brunswick urban concentrations, i.e. the Corporation is employing a modular concept of development.

The N.B.H.C. is directly involved in the management of its own units.

This is one of the provinces where it was felt that there was an over-abundance of hostel beds and of nursing homes. The situation is partly the result of the Provincial Health Act which allows the province to make grants of $2,000.00 per bed, for what is essentially nursing home beds. 16 out of 21 projects under S-15(1) have received this grant.

In terms of self-contained units, the N.B.H.C. seems to feel that it is making considerable progress towards meeting the housing needs of the elderly. The example cited was that if planned as well as actual construction was taken into account in the Moncton area, then the N.B.H.C. has effectively met the need there.

There is an awareness in the province of New Brunswick, of the increasing costs involved in maintaining the deep subsidies associated with public housing for senior citizens.

Ontario

Ontario is a province that has gone heavily into public housing. The province, through the Ontario Housing Corporation, provides housing for seniors in all parts of the province with the exception of the Metropolitan Toronto area where the Metropolitan Toronto Housing Corporation operates. (Some seniors are housed in O.H.C.projects in Toronto being classified for this purpose as "Adults").

The O.H.C. is involved in a variety of management situations from direct management to local housing authorities.

There is some indication of a change in emphasis away from public housing in the development of a Community-Sponsored Housing program.

The Community-Sponsored Housing program provides:

(a) A capital contribution of up to 10% of the project's value tied to a maximum of 25% of units to have rent supplements.

(b) A 15 year pay-out period for capital contributions. Most capital contributions by C.M.H.C. are amortized over a period of 50 years. The halving of a 15 year pay-out period has the effect of perhaps doubling the reduction in monthly mortgage payments, or compared to the reduction of mortgage payments achieved by spread-interest payments over 50 years.

(c) The leasing of provincial land as a partial, or whole, alternative to capital contribution.

(d) A concept of full sectorial support. This will most probably follow the framework laid out in a staff study by the Ontario Habitat Foundation, called "Voluntary Activity in Housing - A Policy and Program for the Third Sector".

Ontario does provide some other alternative supports to non-profit bodies involved in housing seniors. There is the Elderly Persons Housing Aid Act which enables grants of up to $500.00 a unit for capital costs to be made to non-profit housing projects for seniors.

There is the Charitable Institutions Act, which provides capital grants of $2,500.00 per bed, or 50% of construction costs to homes for the aged operated by charitable institutions.

Manitoba

Manitoba has historically provided a large portion of its senior citizen housing through the non-profit mechanism of the Elderly and Infirm Persons Housing Act. Under this act, the province will provide 1/3 of the capital cost, or $2,150.00, of a one bedroom unit, provided the non-profit corporation matches this with a 20% (10% if they provide the land) contribution. Similar assistance is available to hostel accommodation.

Increasing costs of construction, etc., mean that little if any housing is now being constructed under this act; instead, the Manitoba Housing and Renewal Corporation has increasingly being utilizing S-43 of the N.H.A. to provide "rent-geared-to-income" housing.

The M.H.R.C. operates a management program which allows charitable organizations and service clubs to participate in the management of elderly persons housing projects. The M.H.R.C. also manages its building through Local Housing Authority management.

Manitoba is one of the most advanced provinces, in both quantitative and social terms in regards to housing for the elderly. For example, they operate a restaurant in their 185 Smith Street building in Winnipeg which offers subsidized meals to all the senior citizen residents of Winnipeg.

The M.H.R.C. has been having some difficulties with the City of Winnipeg relating to location factors; but its current predominant problem has to do with dealing with the many non-profit units who find they are having to compete with higher costs and the cheaper "rent-geared-to-income" units.

Manitoba is presently exploring the possibility of some form of subsidization as to deficits of these non-profit units.

British Columbia

British Columbia is one of the provinces that is most heavily utilizing the non-profit route to provide housing for its seniors. There has been some construction of public housing under S-40, but the province seems eager to remove itself from this area.

The major mechanism by which non-profit housing is supported in British Columbia, is through the Elderly Citizens Housing Aid Act. This act allows the province to make a 1/3 contribution towards project cost for self-contained dwelling units. A 10% matching contribution on the part of the non-profit corporation used to be required, but this amount is now discounted against the 10% figures available under the new N.H.A. amendments.

The British Columbia Housing Management Commission is the major housing management body dealing with public housing.

A Ministry of Housing has recently been formed which will presumably act as a Housing Corporation-cum-Ministry of Housing.

In discussion with non-profit housing personnel in British Columbia, concern was expressed as to recent legislative changes which would allow municipalities to reverse the tax free status accorded to groups building under the Elderly Citizens Housing Aid Act. It was felt that this would add considerably to rents for non-profit organizations and has resulted in a wait-and-see attitude on the part of non-profit groups.

What emerges from this admittedly non-scientific selection of provinces is that while the Central Mortgage and Housing Corporation might be the agency which puts overall constraints on housing policies for senior citizens, within these constraints each province is able to fashion its own policies.

MULTI-CARE FACILITIES

Despite what has just been said, there are certain issues and concepts that are common to most of the provinces, and thus worth discussing in general terms.

One concept that has been receiving increasing attention is the idea of linking a range of accommodation from strictly housing through to care facilities on one physical site. This is termed a multi-care facility.

The basis for multi-care facilities is a recognition that elderly persons often have progressive care requirements that in normal circumstances would require a considerable number of relocations in the matching of different level of accommodation/care facility to need. That is, by having a multi-care facility relocational stresses are eliminated. More efficient care can be provided to all inhabitants of the facility, and the elderly person can have a greater sense of community.

There are expressed feelings that indicate certain elderly persons perceive such a facility as being a cradle-to-grave facility.

While several provinces have built such a facility on an experimental basis, and others are considering the idea, one unresolved issue is: What are the optimum combinations of care and housing facilities?

PUBLIC AND NON-PROFIT HOUSING: RENTS AND S-44(1)B

Another issue that is common to many of the provinces is the question of further subsidization for non-profit housing.

Housing accommodation funded by the provincial housing corporation, in general is rented on a "rent-geared-to-income" basis. That is, it is housing designed for senior citizens with low income.

There are a considerable number of different Central Mortgage and Housing Corporation "rent-geared-to-income" scales; but on the average they mean that a person with an income of $198.00 a month (the highest amount of full federal pension), is eligible for a fully serviced apartment for about $35.00 a month. As the person's income rises so does his rent up to a limit of about 25% of his income. These low rents are possible because of the covering of the deficits by provincial and federal government under the cost-sharing arrangements.

At the present time, the rents on public housing are frozen.

The provinces of Saskatchewan and British Columbia pursue a different rent policy for their public housing. This is a policy of non-competition with the rents of non-profit housing.

In British Columbia, this means that rents are charged on what the equivalent non-profit rent would cost. Thus, in that province the newer government buildings will be available at higher rents (a maximum of $105.00 monthly) and the older buildings will have lower rents (lowest being $34.00 per month).

Saskatchewan follows a similar policy if the public housing building is to be constructed within a certain geographical radius of a non-profit building.

The rents charged for non-profit housing are normally those covering the full cost of the project, and until recently, were not subject to the kind of direct rent subsidization available for public housing. However, a different type of subsidization has been available at the provincial level - it can be termed "front-end-loading". This subsidization is when the provinces provide a percentage of the project's costs as a capital grant, which, in turn, means the amount of loan needed is reduced and so lower rents can be charged.

The non-profit housing groups have run into serious difficulties. This is because, even with "front-end-loading", these groups can no longer provide a low cost rental unit in today's high cost construction market. Even those units being charged rents on the basis of previous construction and amortization payments are under pressure because of rising maintenance costs. In short, the existing and projected non-profit projects, even with existing subsidization, are increasingly finding themselves priced out of the rent range which low income seniors can afford - their traditional market.

Given the above dilemma, it is not surprising that present policy thinking forsees public housing as being the major supplier of alternate low rent housing for senior citizens, ascribing a secondary role to non-profit housing dealing with higher income seniors. This thesis is by no means universally accepted, and many planners point out the greater flexibility and local involvement associated with non-profit organizations.

One possible way in which new non-profit housing can again be brought within the low rent range is through a recent amendment to the National Housing Act. S-44(1)B of the National Housing Act indicates that if a province is willing to designate a non-profit project as being a public one, then the project or units within the project are eligible for cost sharing of the operating deficits.

S-44(1)B is one of the most contentious issues in the public housing field today. Several provinces are going forward with planning on the basis of this section, at least as it applies to the new non-profit construction. On the other hand, as of this date the Central Mortgage and Housing Corporation has not approved, in policy terms, the use of S-44 (1)B in the manner planned by the provinces. This is away from the equally contentious issue of whether S-44(1)B can be applied to existing non-profit housing.

PART VI

SUPPLY - INSTITUTIONAL CARE

The health needs of the elderly form no single discrete functional area. Their health needs are related to a wide range of factors -- from the not-so-surprising physiological process of aging, to what sort of shelter they reside in.

Earlier, in Part IV some consideration was given to the manner in which governments provide insured health services to the elderly. Here, the examination turns to the *extent* that different *types* of health care are available to the elderly in various institutional forms.

A Question of Terminology

In discussing how much care the elderly need, and relating this to their institutional and manpower requirements, one of the single most pressing difficulties is the lack of a common terminology and typology across Canada.

The Working Party in Patient Care Classification to the Advisory Committee on Hospital Insured and Diagnostic Services tried to deal with this difficulty, and much of the discussion following is based on that report.

The starting point of the Working Party was an assumption that institutional health care should be viewed as a spectrum in all dimensions that institutional health care is approached. The report deals with a spectrum of perceived patient needs, and more importantly from a supply side, with *Types of Care* and *Levels of Care*. Types of Care incorporates a general description of patient needs, the characteristics of the patient, and the resources required to meet total need. Levels of Care deals with the *intensity* of care required within the program population - that is within the Type of Care. Put more simply, Types of Care can be said to relate to quantitative elements, while Levels of Care relates to qualitative aspects within a quantitative range.

In Appendix B there is an extract from the working paper, giving the general description of the Types of Care, and relating the Types of Care to the different terminologies in use in different provinces.

Quantification

Quantification of institutional care facilities is difficult: difficult in relation to terminology, and also in relation to the different reporting techniques of the Hospital Insurance and Diagnostic Services Aid and of the Canada Assistance Plan. The Hospital Insurance and Diagnostic Services would be providing the financing for types IV and V care. Whereas Type I and II care are more likely to be provided under the Canada Assistance Plan. Type III care is going to have elements of both types of financing.

Chart 9B indicates the provincial per capita bed ratios for short and long term beds financed under the Hospital Insurance and Diagnostic Services Act.

While Canada has one of the highest ratios of hospital beds to population amongst world nations, concern is being expressed in various provinces at the lagging ratio in regards to Chronic Care or Extended Hospital Care beds. These two types of care (Type III) are partly reflected in the long term bed ratio - Chronic and Extended Hospital Care beds forming about 70% of all long term beds.

Table 24 gives the number of beds of different types of care financed under the Canada Assistance Plan.

Charts 10 and 11 reflect these absolute figures in a provincial per capita basis for persons 65 and over. Whether ratios in these charts represent adequate facilities is going to depend on a considerable number of variables ranging from the availability of alternate sources of care, to the integration of Nursing Home Insurance programs.

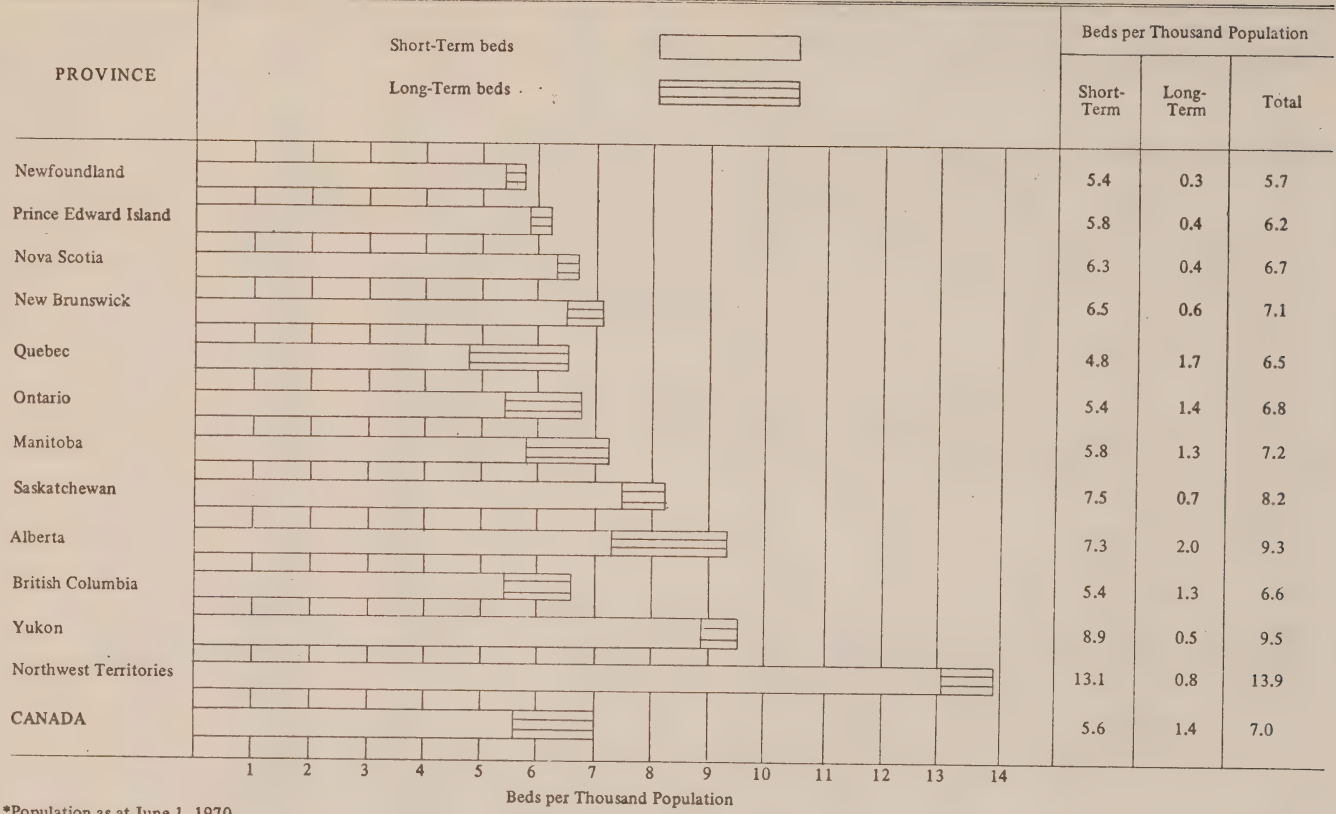
One important variable to keep in mind when examining both the demand and the supply of the lower Types of Care in each province is that of ownership. Table 25 gives the percentage breakdown of ownership of the Canada Assistance Plan institutions and shows wide provincial variation.

Orientation of the Health System

Our health care system is orientated towards institutional admission. Only recently, (see Parts VII and VIII) has there been movement in the direction of extending the spectrum of care into the preventive area, and the heath care system still lacks a sufficient rehabilitative emphasis.

CHART 9B

NUMBER OF BEDS PER THOUSAND POPULATION* (ALL AGES) IN HOSPITALS BY TYPE - 1970



PROVINCE	Beds per Thousand Population		
	Short-Term	Long-Term	Total
Newfoundland	5.4	0.3	5.7
Prince Edward Island	5.8	0.4	6.2
Nova Scotia	6.3	0.4	6.7
New Brunswick	6.5	0.6	7.1
Quebec	4.8	1.7	6.5
Ontario	5.4	1.4	6.8
Manitoba	5.8	1.3	7.2
Saskatchewan	7.5	0.7	8.2
Alberta	7.3	2.0	9.3
British Columbia	5.4	1.3	6.6
Yukon	8.9	0.5	9.5
Northwest Territories	13.1	0.8	13.9
CANADA	5.6	1.4	7.0

*Population as at June 1, 1970.

Source: Annual Report 1971-1972 of Hospital Insurance and Diagnostic Services - Department of National Health and Welfare - Ottawa

TABLE 24

NUMBER OF BEDS OF VARIOUS TYPES OF CARE
IN HOSTEL NURSING HOMES AND HOMES FOR THE AGED
BY PROVINCE (March 1972)

Province	Number of Beds at Domiciliary and Supervised Care	Number of Personal Care Beds	Number of Nursing Beds	Other
British Columbia	3970	5529	3180	0
Alberta	6583	1428	1351	44
Saskatchewan	2105	1768	1499	0
Manitoba	1660	1010	2721	175
Ontario	3907	21388	17600	5477(1)
Quebec	19006	2833	879	219
New Brunswick	1773	596	660	259
Nova Scotia	3299	671	1081	18
Prince Edward Island	588	116	353	0
Newfoundland	733	212	257	32
Canada	43479	35551	29581	6217(1)

(1) The largest proportion of other can be ascribed to some 4714 beds in Homes for the Aged in Ontario.

Source: Statistical information on Homes for Special Care (March 1972) Department of Health and Welfare - Ottawa.

CHART 10

RATIO PER THOUSAND 65+ (1973) FOR BEDS RATED
DOMICILIARY AND SUPERVISED UNDER C.A.P. AGREEMENTS (MARCH 1972)

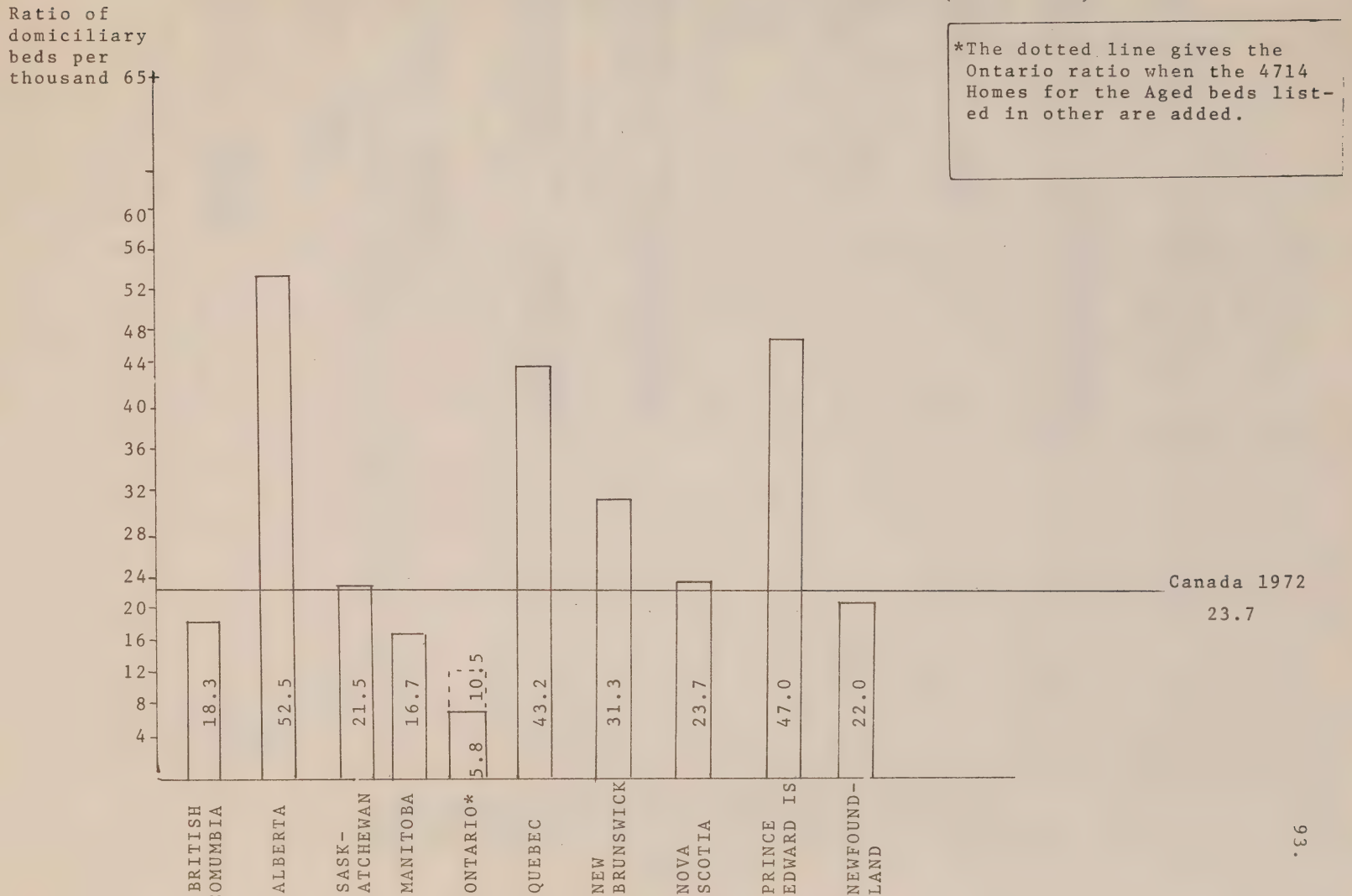


CHART II

RATIO PER THOUSAND 65+ (1973) FOR BEDS RATED PERSONAL AND NURSING UNDER C.A.P. AGREEMENTS (March 1972)

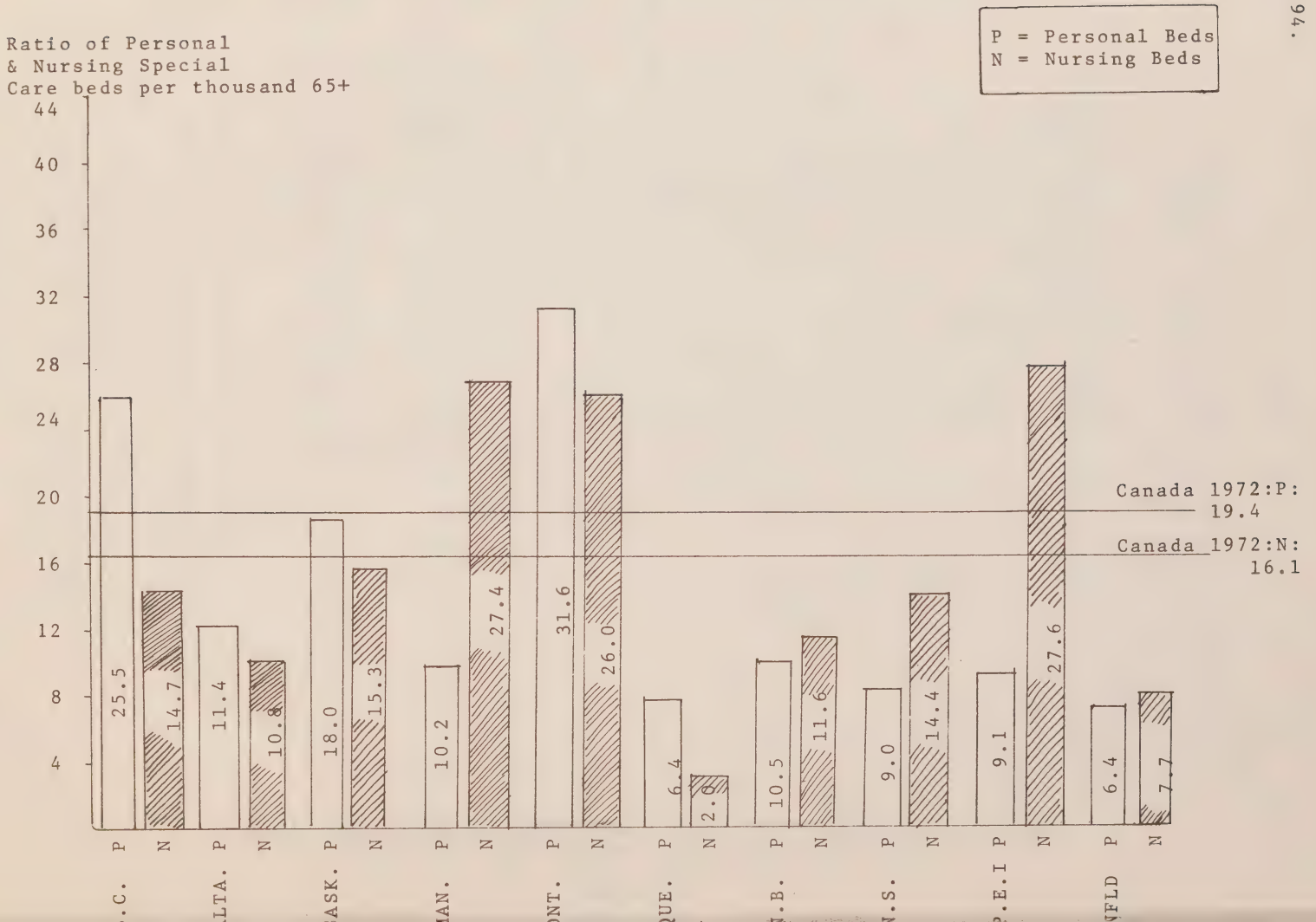


TABLE 25

PERCENTAGE DISTRIBUTION OF RENTED BEDS
WITHIN EACH BROAD TYPE OF OWNERSHIP
BY PROVINCE (March 1972)

Province	Provincial or Municipal	Voluntary or Charitable	Private
British Columbia	6.5	25.7	67.9
Alberta	54.8	15.4	29.8
Saskatchewan	56.0	27.7	16.3
Manitoba	8.5	60.1	31.3
Ontario	32.8	22.4	44.8
Quebec	76.5	0.4	23.1
New Brunswick	12.7	58.8	29.5
Nova Scotia	25.0	34.2	40.7
Prince Edward Island	77.0	20.9	2.1
Newfoundland	22.8	39.1	39.1
Canada	39.3	21.8	38.9

Source: Statistical information on Homes for Special Care (March 1972) Department of Health and Welfare - Ottawa.

If rehabilitation can be defined as a planned withdrawal of facilities, then there is as much need for rehabilitation as there is for prevention.

In line with this thought, one alternative worth more active development in all provinces of Canada is a network of day hospitals. Day hospitals are medical units that contain in miniature several of the elements found in hospitals, with special emphasis on rehabilitative elements. They can be considered to fall between institutional and community care on the spectrum of care.

A further point on the spectrum of health care which has not received much attention is the idea of an institution dealing with the terminally ill.

Death is one of the last remaining major social taboos of our times, but death is also a part of the aging process. Experience in other countries indicates that there might be a place for Terminal Hospitals in the institutional spectrum to deal with the special stress needs of the dying.

PART VIII

DELIVERY - MAJOR STRUCTURAL CHANGES AFFECTING THE DELIVERY OF HEALTH AND SOCIAL SERVICES

Across Canada at present there is a critical awareness of the failure of the present social and health systems to actively promote and deal with the health and social needs of their constituencies. The difficulties of these systems arise out of inequalities in access to health and social services, out of escalating costs that threaten standards of care, and out of service fragmentation.

At one level, the difficulties of present social and health structures are being examined within the form of federal-provincial dialogues, such as the Social Security Review, with an eye to the restructuring of the overall federal-provincial divisions of labour, and the bringing of new concepts of social support into play. At another level, numerous provinces are experimenting with organization changes which will make the social services more effective, both from the provinces' and the individual's point of view.

Parallel and interwoven with these changes and proposed changes, is a philosophical underlay which in essence says that health and social services should become more dynamic and people-oriented, be that the involvement of lay persons in the provision and planning of such services, or the design of the systems to allow persons to have a choice of the environment in which they wish to receive services, or the development of programs designed to make the services more equitable and available.

All these changes affect the elderly, both as major consumers of health and social services and as citizens observing the interaction of society and the state.

The Impetus for Change

In Canada, there is an awareness that the social service structure, primarily the Canada Assistance Plan, is failing to do more than mark time with the alleviation of poverty in this country. One manifestation of this failure has been the inability to deal with the "working poor". Another manifestation has been the imposition of "one more" bureaucratic structure making it more difficult for people to express their needs and leading to alienation.

On the health side there are problems with:

> *"The annual rate of cost escalation has been between 12% and 16%, which is far in excess of the growth of the country."*
>
> *"Medical services are not yet equally accessible to all segments of the population because health manpower tends to concentrate in cities and is not attracted to rural or isolated locations."*
>
> *"Present cost sharing arrangements between the federal and provincial governments tend to encourage the use of physicians and acute treatment hospitals, even for services which could be adequately provided through less costly means."*[1]

And from both the health and social sides there is a recognition that health and social services should not be viewed as two separate entities, but rather as an integrated spectrum meeting human needs by a variety of different means.

Some Proposed Solutions

One trend that is emerging from the current evaluations, is the seeking of a better level of health and social care through organizational changes. This is particularly true for the health services.

Many recommendations are normally involved in the development of proposals which will reorganize the delivery of health and social systems but some elements common to most proposals are:

- A movement towards decentralized decision-making and planning by providing for a return of local health and social centres with global budgeting, and management participation by the consumer.

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1. *"A New Perspective on the Health of Canadians", Department of National Health and Welfare, Ottawa, p. 28.*

- An integration of Health and Social Services at this local level.

- Greater local flexibility and participation, both in provision of services and the planning of needs.

Most provinces are moving at least part way towards this inter-related pathway of greater local flexibility, but to what extent this is occurring varies from province to province.

The Provinces

British Columbia is presently experimenting with two models for the delivery of health and social services.

In one model, termed Community Human Resources and Health Centres, a total integration of health, statutory and non-statutory social services is sought. Non-statutory services are those not required by law, such as meals-on-wheels, drop-in centres, etc.

The second model, termed Local Resource Boards, are of two sub-types. In Vancouver, the Local Resources Board is an amalgamation of statutory and non-statutory social services whereas in the other parts of the province, the Local Resource Boards deal solely with non-statutory services.

Both models involve local participation in their management, but the Community Human Resources and Health Centres seems to be structured so as to more actively explore the concepts of local involvement.

A description of what a Community Human Resources and Health Centre is, and does, has been included in Appendix C. This Appendix illustrates, in more specific terms, the types of functionings envisaged for the decentralized bodies, and also implicitly raises many of the issues that will have to be solved if such units are to be ultimately successful.

Alberta has, in a way, gone the opposite direction from British Columbia. It has split the provision of statutory and non-statutory social services instead of seeking to integrate them. That is, the province is seeking to encourage local communities to provide non-statutory social services through the Preventative Social Services program, while the province itself provides the statutory social services through normal channels.

Preventative Social Services is designed to encourage local communities to initiate local non-statutory services to meet

locally perceived needs of a primary preventative nature. What primary prevention is cannot be precisely defined, but it could be broadly described as an effort to satisfy needs before these needs emerge in a problematic manner.

Under Preventative Social Services, the province will provide up to 80% of the cost of these non-statutory programs on a deficit financing basis. In turn, the province is refunded for a portion of its costs under the Canada Assistance program. Because the emphasis is on local participation, there is a large volunteer component which is valued in the region of 15 million dollars per year. This compares with an actual budget for the total preventative social services of 5 million dollars per year.

The local initiative element also means a considerable range in the number and type of non-statutory social services from region to region.

Saskatchewan is a province which has elements of both a community clinic system and a community grants program directed at locally initiated non-statutory social services.

Saskatchewan has historically been in the forefront of exploration of developing new health concepts, one of these being the development of the community clinics in Saskatoon and Regina. However, at the present time these community clinics have not really extended past the provision of health services.

The province has recently been revamping its community grants program, which is in concept very similar to that of Alberta's Preventative Social Services, and which is designed to provide non-statutory services to the elderly. The province provides 40% of the costs under this program, contributions rising to 80% in the area of other services under Canada Assistance Plan funding.

Manitoba has in the form of its "White Paper on Health Policy" a proposal to develop a province-wide system of decentralized health and social service districts involving considerable local participation.

Idealogically, the present Manitoba Government seems committed to seeking more citizen participation in the governmental process. The way in which it intends to go about doing this was outlined in broad terms in "Guidelines for the Seventies", which incorporates the "White Paper on Health Policy" proposals.

Ontario at the present time, gives the impression of being one of the provinces having a centrally regulated health and social structure. There are community grant programs, but these seem to be on a piecemeal basis rather than as a single integrated program such as in Alberta.

Quebec is one of the provinces that has taken the lead in decentralizing its social and health services.

Under "la loi 48" also known as "Bill 65", the province was split into nine regions, each to be headed by a regional council with a global budget. Within each region there is an infrastructure of:-

- a "centre local de service communities" (C.L.S.C.), which becomes the local referral service.

- a "centre d'accuil d'heborgement" (C.A.) which deals with institutional care needs.

- a C.S.S. which deals with social services.

- a C.H. which becomes the entry point into the health care system.

All components of the infrastructure are visualized as having a high degree of inter-relationship; as being nodular components, rather than discrete elements. All parts of the decentralized structure, from each region down, have considerable user participation in the boards running each section.

The Maritime Provinces as a whole have not yet become actively involved in the development of decentralized (in terms of local participation) health and social services, or in the development of a preventative community grant structure.

Some Future Issues

It is too early to evaluate the effectiveness of the idea of fully decentralized and integrated health and social service centres run with large elements of local participation, but certain critical issues are worth bearing in mind.

One of the issues is the degree of co-ordination that will exist between the different service elements of the centre. Professional people are naturally jealous of their professional progress, yet any success of the centres must, in part, relate to their ability to offer an environment of service to the individual that crosses fields of interest with little or no jurisdictional aggravations - the point is to get away from

fragmented and alienating environments. The same issue, in another dimension, also emerges in terms of defining the respective responsibilities of the professionals and the lay members of the community in the running of the centres.

Another issue relates to the considerable emphasis being placed on global budgeting as a way to achieve many things: from allowing local priority setting, to letting the province get away from "line by line" financing, to kicking the problem of where to put the lid on costs downstairs.

The point is this, that expectations of the effects of global budgeting are high, and all are unlikely to be met; which brings the thought that provinces are still going to have to be involved in making qualitative judgements as to in which service they wish to place their dollars.

APPENDIX A

INFORMATION BROCHURE

FOR

SASKATCHEWAN SENIOR CITIZENS

HOME REPAIR PROGRAM

INFORMATION BROCHURE FOR SENIOR CITIZENS HOME REPAIR PROGRAM

The Senior Citizens Home Repair Program was introduced by the Government of Saskatchewan to improve the housing of the senior citizen population of the province.

The program is administered by the Saskatchewan Housing Corporation. Senior citizens who own their homes may be eligible to receive a grant to carry out repairs to their properties.

Objectives:

The program is intended to:

(a) allow senior citizens to remain independent longer by assisting them to make repairs that will make their homes more comfortable and livable; and

(b) relieve seasonal unemployment in the construction industry.

Eligibility:

To be eligible for assistance you must:

(a) be a recipient of the federal Guaranteed Income Supplement;

(b) own your own home;

(c) receive written approval to commence work from the Saskatchewan Housing Corporation; and

(d) have the work done between September 15 of this year and May 31 of next year.

Amount of Grant:

The amount of the grant you are eligible for will be based on the amount of your Guaranteed Income Supplement.

For example:

Single Pensioners or Married Couple where only one is a Pensioner		Married Couples where both are Pensioners	
Amount of Guaranteed Income Supplement	Approximate Grant Available	Amount of Guaranteed Income Supplement	Approximate Grant Available
$ .14	$200.00	$ .60	$200.00
10.00	243.00	20.00	248.00
20.00	286.00	40.00	297.00
30.00	329.00	60.00	345.00
40.00	371.00	80.00	394.00
50.00	414.00	100.00	442.00
60.00	457.00	120.00	490.00
70.00	500.00	124.00	500.00

The grant is paid to the nearest full dollar, to a maximum of $500.00, but will not be greater than the value of the work done.

Payment of the Grant:

(a) Where a contractor does the work, he will be paid directly by the Saskatchewan Housing Corporation after submitting his bills. His bills must be signed by the senior citizen to signify satisfaction with the work done.

(b) Where a senior citizen does his own work, he will be paid by the Saskatchewan Housing Corporation after submitting his bills for materials and labour.

The senior citizen will be responsible to pay from his own resources any costs incurred in excess of the amount of the grant he qualifies for.

Eligible Work:

Eligible work may include any work which will extend the life of the home, protect the health and safety of the owner, or improve the appearance of the home. Examples of the kind of work that may be done are: painting, laying sidewalks, repair to foundations, wiring, heating systems, roof repair, replace or repair windows, and connections to municipal services.

Eligible Period:

Work must be done between the 15th of September of this year and the 31st of May of next year.

WORK WHICH IS DONE PRIOR TO RECEIVING APPROVAL OF YOUR APPLICATION FOR GRANT WILL NOT QUALIFY FOR A GRANT.

To Apply:

Application forms are now available from the

Saskatchewan Housing Corporation,
205 Financial Building,
13th Avenue and Scarth Street,
Regina, Saskatchewan,
S4P 2J5 - Phone: 523-4641

For application forms, return the enclosed form.

APPENDIX B

EXTRACTS FROM REPORT OF THE WORKING PARTY

ON

PATIENT CARE CLASSIFICATION

TO

THE ADVISORY COMMITTEE ON HOSPITAL INSURED AND DIAGNOSTIC SERVICES

TYPE I CARE

- is that required by a person who is ambulant and/or independently mobile, who has decreased physical and/or mental faculties, and who requires primarily supervision and/or assistance with activities of daily living and provision for meeting psycho-social needs through social and recreational services. The period of time during which care is required is indeterminate and related to the individual condition.

TYPE II CARE

- is that required by a person with a relatively stabilized (physical or mental) chronic disease or functional disability, who, having reached the apparent limit of his recovery, is not likely to change in the near future; who has relatively little need for the diagnostic and therapeutic services of a hospital but who requires availability of personal care on a continuing 24 hour basis, with medical and professional nursing supervision and provision for meeting psycho-social needs. The period of time during which care is required is unpredictable but usually consists of a matter of months or years.

TYPE III CARE

- is that required by a person who is chronically ill and/or has a functional disability (physical or mental), whose acute phase of illness is over, whose vital processes may or may not be stable, whose potential for rehabilitation may be limited, and who requires a range of therapeutic services, medical management and skilled nursing care plus provision for meeting psycho-social needs. The period of time during which care is required is unpredictable but usually consists of a matter of months or years.

TYPE IV CARE

- is that required by a person with relatively stable disability such as congenital defect, post-traumatic deficits or the disabling sequelae of disease, which is unlikely to be resolved through convalescence or the normal healing process, who requires a specialized rehabilitative program to restore or improve functional ability. Adaptation to this impairment is an important part of the rehabilitation process. Emotional problems may be present and may require psychiatric treatment along with physical restoration. The intensity and duration of this TYPE OF CARE is dependent on the nature of the disability and the patient's progress, but maximum benefits usually can be expected within a period of several months.

TYPE V CARE

- is that required by a person:

(a) who presents a need for investigation, diagnosis or for definition of treatment requirements for a known, an unknown or potentially serious condition; and/or,

(b) who is critically, acutely or seriously ill (regardless of diagnosis) and whose vital processes may be in a precarious or unstable state; and/or,

(c) who is in the immediate recovery phase or who is convalescing following an accident, illness or injury and who requires a planned and controlled therapeutic and educational program of comparatively short duration.

TERMINOLOGY

Type I Care is variously referred to as	Provided in (by)	Source
Level VI Supervisory Care Level V Limited Personal		Task Force
Hostel or Domiciliary Services	Self-contained housing unit. Community Service programs.	New Brunswick
Domiciliary Care Ambulant Care Residential Care "Intermediate Care" in nursing homes	Homes for the Aged nursing homes, community service programs	Ontario
Level I Supervisory Level II Limited Personal	Boarding Home	Saskatchewan
Boarding Home Care		British Columb
Homes for the Aged	Sheltered Boarding Homes Senior Citizens' Homes	Alberta
Type II		
Level IV Intensive Personal Care with Nursing Supervision		Task Force
Non-Hospital Residential Care	Nursing Homes	New Brunswick
Extended Care	Nursing Homes Homes for the Aged	Ontario
Level II		
Limited Personal Care	Private Homes	Saskatchewan

Type II Care (Continued)	Provided in (by)	Source
Level III Intensive Personal or Nursing Care	Boarding Homes Nursing Homes	
Limited Personal Care	Sheltered Boarding Homes Some Nursing Homes	Alberta
Personal Care		British Col.
Type III		
Intensive Personal Care with nursing supervision		Task Force
Extended Hospital Care		Task Force
Nursing or Intensive Personal Care	Nursing Home	New Brunswick
Chronic Care	Chronic Hospitals Chronic Units in general hospitals	Ontario
Level IV Long Term Restorative or Palliative Care	Approved Boarding Homes	Saskatchewan
Level III Intensive Personal or Nursing Care	Some Private Homes with Community Services	
Extended Hospital Care		British Col.
Type IV		
Assessment and Rehabilitation		Task Force
Level V - Intensive Rehabilitation		Saskatchewan
Assessment and Rehabilitation	Hospitals with organized departments	Alberta
Rehabilitative Care Special Rehabilitation	Regional rehabilitation centres	Ontario
Activation and Rehabilitation		British Col.

Type V Care is variously referred to as	Source
Level I - Acute treatment	Task Force
Short-term or acute	New Brunswick
Level VI - acute care	Saskatchewan
Acute care or convalescent care	Ontario
Active treatment	
Acute care	British Columbia

APPENDIX C

INFORMATION PROVIDED BY THE DEVELOPMENT GROUP FOR COMMUNITY HUMAN RESOURCES AND HEALTH CENTRES

PART 1

1. JUST WHAT IS A COMMUNITY HUMAN RESOURCES AND HEALTH CENTRE?

The Idea: Self-Help Begins in the Community

"What you are proposing is that the Provincial Government give us the resources in order that we can help one another the way we used to thirty to forty years ago in these Islands". This comment from a long-time resident in the Queen Charlotte Islands expresses well the ideas behind the Community Human Resources and Health Centre plans announced last summer by Hon. Dennis Cooke, Minister of Health and by Hon. Norman Levi, Minister of Human Resources.

The intent is to provide a reasonable and equitable level of health and social services throughout British Columbia. The means is through an expanded program of preventive and remedial care within the community. Such services should be decentralized, integrated where appropriate and accountable to the people they serve. All of us require help from others during our lives and all of us give help. A Community Human Resources and Health Centre (CHR & HC) can be a way for public-spirited volunteers and professional people to work together to resolve community health and social needs.

A Community Human Resources and Health Centre as envisaged by the Provincial Government is then an organization for the provision of locally planned, controlled and operated health and social service programs functioning within Provincial standards. Such an organization may operate out of a single facility or a group of facilities but will have the "one door" approach to the provision of services. In this manner unnecessary referrals between agencies can be reduced and the artificial barriers that frequently separate one service from another can be eliminated.

Proposals for those Centres approved by the Provincial Government will be eligible for one hundred percent funding from the Province to meet approved capital and operating costs, including personnel, facilities, equipment and program expenses.

The Service Program

The Centre's program will include services that will be applicable to all communities and additional services that suit the particular local needs of each community. The emphasis is on preventive programs to reduce the need for acute care and thereby improve the general physical and social well-being of everyone. As well, programs of rehabilitation within the community will be encouraged in order to reduce the all-too-frequent pattern of moving people away from their community when special services are required.

1. The following are regarded as the essential core services to be provided by a Community Human Resources and Health Centre:

   (a) Primary physician services.

   (b) Primary social services.

   (c) Nursing services - Public health nursing, and nurse practitioner services. Nursing services should include a home care program.

   (d) Laboratory services - as appropriate in the context of existing laboratory services such as may be provided by local or regional laboratories. Laboratory facilities established in a Community Human Resources and Health Centre may be utilized by physicians other than those under contract with a Community Human Resources and Health Centre, if appropriate.

   (e) Radiology services - as per laboratory services.

   (f) Health education programs.

2. The following types of services may be provided either on a part or full-time basis as may be appropriate to the needs of a community:

   (a) Pharmaceutical consulting services.

   (b) Pharmaceutical dispensing services.

   (c) Minor surgery and emergency services requiring special facilities and/or equipment, as may be warranted.

   (d) Consultative physician services - where consultative services are provided by visiting specialists various arrangements may be made such as providing office space at a reasonable charge if the specialist provides service on a fee-for-service basis or providing office space and contracting for services on a sessional basis.

   (e) Nutritional and dietetic counselling.

   (f) Meals on wheels.

   (g) Day Care services for children.

   (h) Homemaker services.

(i) Special educational or therapeutic services for handicapped or retarded persons, e.g. speech and hearing therapy.

(j) Mental health services.

(k) Corrections services, i.e. the services of a Probation Officer.

(l) Legal Aid services.

(m) Recreation.

3. Arrangements can be made to provide space (e.g. on a rental basis) for other services such as:

(a) Optometric services - this service is covered to a limited extent on a fee-for-service basis under the overall Medical Services Plan.

(b) Physiotherapy - as in (a).

(c) Chiropractic services - as in (a).

(d) Dental services - in addition to dentists in private practice, space may be provided for the Public Health Preventive Dental Program.

It should be noted that none of the services in Section 3 (above) are fully covered under existing governmental programs. In some instances these programs may be expanded, such as will be the case of the dental program for children which is currently being considered. In such cases the Centre may decide to take on the responsibility of providing services such as may be offered under the Dental Program and may enter into contracts to have these services provided on a salary or sessional basis.

4. Other services may be added for advancing the total health of the community or where specifically required under some particular circumstance in the area serviced.

5. While the Centre will be a major organization for the provision of health and social services in the community, this does not mean that it should necessarily take on all responsibility for services, especially in the voluntary field. Rather, the Centre might well act as a resource and co-ordinating body for private voluntary programs, especially if these are already well established. So, too, with the service of the Municipal and Federal Governments. A Canada Manpower Employment Service or Municipal Recreation Service might be incorporated into a Centre, or the Centre might simply ensure good communication and co-operation between its own services and those of other Government departments.

The Organization of the Centre

It is planned that the Centre will be operated by a local Board of Directors, composed of a majority of elected residents of the community plus representatives from staff groups of the Centre. Staff will be employed directly on salary or contract basis and/or maybe Provincial Human Resources and Health Departments staff on a seconding basis.

The responsibility of the Board is to set and carry out policies in programs and services in response to the needs of the community, ensure they are carried out according to Provincial standards and evaluate their effectiveness. The staff is responsible for recommending policy, carrying out the directions set by the Board and as well, evaluating the effectiveness of services.

The aim is to have a co-operative, productive relationship between laymen and professional staff. In medical and health services, for example, the Board and the community will have the final responsibility for determining local priorities after thorough consultation with the medical and health staffs. In the practice of medicine, and in other disciplines, there will be the appropriate professional autonomy with accountability to colleagues and/or departmental administrators and where appropriate to the professional licensing bodies. The development of an integrated, interdisciplinary staff team is paramount to the success of the Centre's services. People will be required who are competent in their profession, skilled in team practice and community-oriented in their work. This is the basis for caring for the whole person in his or her home neighborhood.

Administrative staff will also be required for Centres. A key position will be that of the Administrator/Co-Ordinator/ Director. His or her job will be to co-ordinate the work of the Board and staff committees and to ensure effective communication within the Centre and between the Centre and the community-at-large.

In the long run, the value of the Centre's services to the community will depend on the ability and commitment of staff and on the continuing involvement of citizens in the activities of the organization.

Budget

Eventually a Centre will manage its finances on the basis of a "global budget", i.e., receiving a single financial sum directly from the Provincial Government for all services provided by the Centre and as determined locally. In the first years of operation, however, there will be a mix of direct Provincial funding for some services and the provision of other existing Provincial services on a contract basis through the Centre. Thus the salaries for doctors for example will be from the outset met through

Provincial grants to the Centre. Staff of the Public Health and Human Resources Departments, on the other hand, will be "seconded" to the Centre, accountable to the Board of the Centre for carrying out programs based on local priorities in their respective fields while remaining on the staff of their own Provincial Departments.

Back-Up Services

It is anticipated that Centres will require, apart from funding, on-going Provincial support in at least two areas:

- Continuing Professional Education: It is anticipated that eventually the resources of teaching institutions in the provinc will be available to staff of the Centres so that up-to-date knowledge can be maintained even in relatively isolated communities. Instructors then can visit Centres, assist with short courses and seminars and do some refresher work directly in the field themselves. Students will be encouraged to do study and internship programs in Centres.

- Administrative Services: Consultation in all aspects of the management and operation of Centres will be available to Board and staff people from the Provincial Government.

Consulting Services

The Development Group for Community Human Resources and Health Centres is responsible for working with interested communities in the preparation of plans for submission to the Provincial Government for consideration and approval. More information can be obtained by contacting:

The Development Group for Community Human Resources and Health Centres,
301 - 895 Fort Street,
Victoria, British Columbia. Telephone: 387-5148

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